

The NATIONAL UNDERWRITER

Life Insurance Edition

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CHEER UP, FELLA, YOU'RE IMPORTANT

APR 5 B-40 1941

True, you don't know much about money yet—still less about life insurance. But your dad does. And so does his Northwestern Mutual agent. Last year these agents helped over 100,000 dads adjust their insurance because of boys like you, or because of changes in family, finances and future.

THE kind of service Northwestern Mutual agents give to dads—to every policyholder—not only when they buy but thereafter, is very important. It's very important to any man considering the purchase of life insurance. Here's why:

1st Because Northwestern Mutual agents are skilled in harmonizing life insurance with each family need, with Social Security payments, with other sources of income *and with your ability to save*. The scope of The Northwestern Mutual policy and the co-operation of home office specialists enable our agents to carry out your wishes in providing lump sum and life-income payments for your family or yourself, or for special purposes. These benefits are available to you through Northwestern Mutual life insurance at a cost which for years has been recognized among policyholders and in life insurance circles as being exceptionally low.

2nd Because after you buy Northwestern Mutual life insurance, the agent is always ready to aid you—and your beneficiaries—in servicing your insurance to keep it up to date. In 1940, for instance, Northwestern agents helped the owners of 121,816 policies adjust their insurance to new needs or situations. In addition, these agents aided beneficiaries named in 11,124 policies of deceased members in the arrangement of practical plans for income and cash payments. The character of this service and the clarity of The Northwestern Mutual contract are suggested by the fact that 99.84% of these cases were settled promptly and without question.

The service of Northwestern Mutual agents has been so satisfactory that approximately one-half their new business comes from present policyholders—from people who best know the character of the agent's service. If you are interested in sound life insurance soundly written, it will be worth your while to talk with one of these agents.



We are **THE NORTHWESTERN MUTUAL**
LIFE INSURANCE COMPANY
MILWAUKEE, WIS.

This is one of a series of full page Post advertisements helping to give the American public a wider understanding of the work of Northwestern Mutual agents.

FRIDAY, APRIL 4, 1941

TWO HOURS TO LIVE

Harvey D. Monroe, a Hoosier by settler's right, has lived among his townspeople in Terre Haute, Indiana, for over 40 years. His main purpose in life is to teach thrift the life insurance way.

Last month Harve called on a Vice President and part owner of a Motor Car Agency. He had little trouble talking to his 33 year old prospect about the prospect's 2 year old daughter. Very proudly his prospect said he was putting \$10 a week in the bank for his daughter's education and start in life.

Harve asked whether or not he felt it wise to put \$10 each month into a plan which would guarantee the completion of his savings for his daughter in case the unexpected happened. The man replied that Harve was a good salesman in presenting this point, but he had no fear of death, and was going to live to educate his daughter. He asked Harve to call back, because his life insurance plan had merit.

Harve left, not wanting to insist upon the acceptance of his plan, thinking a call back in a few days would clinch the sale. Just two hours later, this man was dead. The first heart attack was the last. Now the daughter has only the \$1,040 her father had already saved for her instead of the \$10,000 her father planned to save for her.

Life underwriters have a sacred obligation to those in their community. To fulfill this obligation is no easy task. Sometimes it may mean insisting beyond all good reason for the acceptance of a plan. Those who accept are much better off.

The MIDLAND MUTUAL LIFE INSURANCE COMPANY, COLUMBUS, OHIO

The NATIONAL UNDERWRITER

Forty-fifth Year—No. 14

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, APRIL 4, 1941

\$3.00 Year, 15 Cents a Copy

TNEC Eschews Federal Control in Final Report

Refuses to Endorse Pike, Gesell Recommendations for U. S. Supervision

WASHINGTON, D. C.—Carefully steering clear of all suggestions of federal control of insurance, the Temporary National Economic Committee this week filed its final report with Congress, urging only such legislative remedies as would implement existing law.

To considerable extent, the recommendations would increase the power of the state insurance commissioners, enabling them to initiate reorganizations proceedings, among other things, and aiding them in their control of insurance by prohibiting companies from using the mails to do business in states to which they are not admitted.

To keep its recommendations within the field of industrial self-regulation to which it committed itself, the committee refused to accept suggestions of Sumner T. Pike, Securities & Exchange member, and Gerhard Gesell, SEC counsel in charge of the insurance investigation, that the federal government take steps to supervise life insurance companies.

Wants Fire, Casualty Probe

Most far-reaching of its insurance recommendations was the suggestion that a Congressional committee investigate fire, marine and casualty insurance, which the TNEC was unable to do because of lack of time and funds.

The TNEC pointed out that its investigation of the life insurance industry was the most extensive since the Armstrong investigation of 1906.

The industry, today, has become one of the largest businesses in the nation, it was declared, the report stating that "its influence reaches out through the capital structure of enterprise and the millions of policyholders whose savings are entrusted to its care until it can be truly characterized as a national enterprise of the first importance."

It was felt that the findings of the committee will have a "substantial influence" on the development of the industry.

The major recommendations are that state legislation be enacted to strengthen state supervision, but the committee advocated federal cooperation to that end by the enactment of laws to keep companies out of states to which they have not been admitted, prohibiting officers and directors of life companies from using their positions for personal benefit, and amendment of the national bankruptcy act to permit insurance commissioners to apply for the liquidation or reorganization of insolvent companies.

In addition to the recommendations
(CONTINUED ON PAGE 22)

Adjusted Compensation and Pension Plan for Equitable Social Security Big Wichita Topics

A higher general level of commissions in early policy years, rewards to the agents for service work which produces persistency of business, and assurance of a retirement income at 65 are features of the new compensation and retirement income plan announced Monday by Equitable Society at a meeting of its managers in New York, and made the subject of other managers' and agency meetings throughout the country. The managers were enthusiastic, seeing the step as a turning point in the Equitable's history and one of the most progressive, if not best, agents' compensation and retirement plans so far introduced.

Equitable Society through this plan, which has been under deliberation for several years, is seeking to place the business of its agents on a career basis, to improve service to policyholders throughout the lives of their contracts, and besides affording much greater commission for conservation work in the second and third policy years to give the producers a sense of security in their profession.

Announcement by Parkinson

Commission compensation is provided on a career basis for the lifetime of the continuing agent, President T. I. Parkinson announced at the managers' meeting in New York. The agent's persistency is rewarded by accumulating values of the contract as it extends over the years and greater rewards for superior persistency automatically respond to quality business.

Participating agents will contribute 4 percent of their total commissions to the retirement feature of the plan which will be matched dollar by dollar by the Equitable Society to provide deferred annuities at net rates. Agents under existing contracts will have the choice of continuing on that basis or of signing one of the new contracts. All contracts with new agents will be on the new basis.

Agents will be permitted to contribute at the same annuity rates up to an additional 4 percent of total commissions, thus forming a voluntary contribution, which will not be matched by the Equitable.

Provide for Older Agents

The deferred annuities which will be provided by the contributions will become vested in the agent. Special provisions for older agents who have been under contract for a long time are provided. These provisions take into consideration the fact that these older agents will not have the time left in which to build up their contributions to the point where they will provide adequate living income at retirement as will the younger men.

Provision is made for disability, as an agent who in the society's opinion has become totally and permanently disabled will continue to receive his renewal and service fees.

Finally the new compensation plan is expected to put a premium on better service to all policyholders and to encourage new agents to remain with the

Equitable and earn the rewards for continuing service to continuing policyholders.

The new contracts provide for the agents vested right in the first year commission. The graded commission scale is 45 percent top for first year, 15 percent second year and 10 percent third year. Thereafter, a renewal commission or collection expense of 2 percent will be paid upon all the agents' business so long as it persists.

The plan is said to incorporate the maximum benefits available under the acquisition cost limitation of the New York law, and yet to involve scarcely any additional cost to policyholders. The arrangement has been approved by the New York department and has been submitted to departments of other states in which the Equitable operates, with approval taken as assured.

The voluntary contribution feature is on a basis which permits variation annually in the percentage of the contributions, which may be either 1, 2, 3 or 4 percent in addition to the primary 4 percent contribution contemplated in the plan. The agent may select each year the percentage of voluntary contribution he wishes to make, which election, however, must be carried out throughout the year to simplify the accounting. The percentage applies on the previous year's commission. Thus, if an agent has a bad year he may cut down the cost next year by reducing the percentage of his voluntary contributions. The voluntary amount, however, is payable on the current year's commissions.

Parkinson Tells Benefits

"The plan, in the opinion of the board of directors," President Parkinson commented, "is one of the most important forward steps toward improving service to policyholders that has been taken by the society in years. On its face it represents a readjustment of the financial relationship of the society and its agents. Fundamentally it is directed to the establishment of a sounder basis for policyholder service."

Stability and Permanence

"This readjustment in commissions should have a beneficial effect on both the persistency and quality of the business written and should encourage agents to make life insurance a career. Continuance of commissions and the retirement income plan will contribute elements of stability and permanence to the profession of selling and servicing life insurance that were not present under the old system."

Details of Production

The new first year commission represents a reduction from 50 percent formerly, but the whole scale pays the agent approximately one-sixth more in the first three years than the old contract.

There is no longer a minimum production requirement for payment of renewal and service fees, but those who leave the society will not be paid such amounts. In case of the agent's death, the renewals will be continued throughout 10 years.

Much Ground Covered at Mid-year Rally—Weissman Charges Color Discussions

By LEVERING CARTWRIGHT

The national council of the National Association of Life Underwriters at its mid-year gathering in Wichita undertook in a one-day session to bring itself up to the minute on the many currents and cross currents of the day that are affecting the life insurance business and the agents, as well as to dispose of much association business. Because of the many capital issues that exist today the sessions could very well have been prolonged beyond the customary single day. Floor discussions of such matters as agents' compensation, social security, etc., had to be abbreviated so that the agenda could be completed.

A number of the observations that were made from the platform were obviously prompted by the inflammatory talk that was made a week earlier before the Pittsburgh Life Underwriters Association by S. D. Weissman, Equitable Society, Boston. Some of the speakers, including President Harry T. Wright, were obviously referring to Mr. Weissman's speech in what they said although they did not mention him by name. Ray Hodges, Ohio National, Cincinnati, in reporting as chairman of the committee on agents' compensation did, however, mention Mr. Weissman by name.

Research Bureau Meeting

A successful meeting from the standpoint of attendance was assured on Thursday when more than 150 agents and managers appeared for the all-day session conducted by the Research Bureau on morale and motivation. The group was addressed in turn by J. M. Holcombe, Jr., manager, B. N. Woodson, director of service, and L. W. S. Chapman, editor of the "Managers Magazine." That evening the managerial group got together at a dinner and held a discussion on how to improve the functioning of the local managers' associations.

On Friday the national council meeting was held in the morning and afternoon. That evening there was a gathering of presidents of state associations which was in charge of Earl Schaeffer, Fidelity Mutual, Harrisburg, chairman of the state presidents' committee. There was also a dinner of women agents and cashiers. Most of the convention group, however, attended the brilliant dinner, entertainment and dance given by the Kansas home companies.

The sales congress on Saturday was
(CONTINUED ON PAGE 24)

Electioneering Gets Under Way at Wichita Assembly

Boost Hedges for Secretary; Launch Campaigns for Hoyer, Rogers, Lawrence

The political pot started to boil at the mid-year convention of the National Association of Life Underwriters at Wichita, with a number of new electioneering campaigns being uncorked and those previously announced being carried forward spiritedly.

There appears to be no prospect of a contest for the vice-presidency. Secretary Grant Taggart seems destined to be advanced to that position.

The interest centers in the trustee positions. Among the campaigns that came into the open at Wichita and had not previously been announced were those for Homer L. Rogers of Indianapolis, Howard C. Lawrence of Newark and Ralph W. Hoyer, Columbus, O.



H. C. Lawrence

Hoosiers Boosting Rogers

Three Hoosiers at Wichita were advancing the interests of Mr. Rogers—E. A. Crane, Northwestern Mutual, a past national trustee; Eber Spence, Provident Mutual, national committeeman, and Claude Jones, president of the Indianapolis General Agents & Managers Association, and first vice-president of the Indiana state association.

Getting in the first licks for Mr. Lawrence was Frank A. Williams, Mutual Life, who is vice-president of the Life Underwriters Association of Northern New Jersey.

In addition some spirited work was done in behalf of candidates previously announced.

Oklahomans' Backers Active

J. Hawley Wilson, Massachusetts Mutual, Oklahoma City, was engineering the activities for Tom B. Reed, the jovial and ruddy million dollar producer for Great Southern Life at Oklahoma City.

Forwarding the interests of E. A. Allison at Wichita were these leaders from Tulsa: M. P. Johnson, Fidelity Mutual; Ross Dawson, Guardian Life; Hal Little, Minnesota Mutual; Frank M. Engle, Mr. Allison's partner, and Paul A. Wallace, Equitable Society.

Mr. Rogers is serving his sixth term as president of the Indiana state association. He is credited with having been responsible for the organization of the 16 local associations in the state outside of Indianapolis and of organizing the highly effective legislative setup in the state. He is a member of the N. A. L. U. legislative committee. For about 15 years he has been Indiana manager of Equitable Society. Previously he served as district manager at La Fayette, Ind., and then at South Bend. He was at one time a county superintendent of schools in Indiana. He delights in organization work and is talented at it.

Mr. Lawrence consented to have a campaign organized in his behalf when he learned that O. D. Douglas, San Antonio general agent of Lincoln National Life, would not be a candidate for reelection as trustee. Mr. Lawrence is

Newark general agent for Lincoln National.

Definite decision was made at Wichita as to the intentions of the backers of H. A. Hedges. It was decided at that time that Mr. Hedges would be put forward for secretary. Last year Mr. Hedges made a strong race for that position and was just nosed out by Grant Taggart. However, Mr. Hedges, who is Kansas City general agent for Equitable Life of Iowa, was returned as a trustee and hence is eligible to run for secretary this year. J. Frank Trotter, Mutual Life, Kansas City, is chief engineer of the Hedges campaign. There is no other avowed candidate for secretary. Charles Scott, Massachusetts Mutual, Kansas City, will be one of the principal workers for Mr. Hedges.

Mr. Trotter advises that the Missouri state association, strongly supported by the St. Louis and Kansas City associations, together with other local associations in Kansas, are sponsoring Mr. Hedges. The principal supporters of Mr. Hedges have not yet named a formal committee.

A few days after the Wichita convention, announcement was made that Ralph W. Hoyer, general agent for John Hancock Mutual at Columbus, and president of the Ohio Association of Life Underwriters, is being sponsored as a candidate for trustee. The statement in his behalf was issued jointly by Judd C. Benson, Union Central Life, Cincinnati, vice-president of the Ohio association, and E. J. Staton, president of the Columbus association.



Ralph W. Hoyer

Mr. Hoyer will have completed 35 years of service with John Hancock Mutual in July. He has served successively as trustee, treasurer and president of the Columbus association. He is completing his second term as president of the Ohio association. Before that he was state secretary. Ohio now has one of the strongest state associations in the country.

Mr. Hoyer is a director of the American Society Chartered Life Underwriters and last year he was a member of the nominating committee at the Philadelphia convention of the National Association of Life Underwriters. He is now a member of the finance committee of the N.A.L.U.

The Ohio and the Columbus associations will strongly support his candidacy and committees will be named from all of the local associations in Ohio to work for his election.

W. R. Furey, Berkshire Life, Pittsburgh, a candidate for trustee, was at Wichita, but there was no campaigning in his behalf. Eric Johnson, Penn Mutual, Pittsburgh, who was originally chairman of the Furey committee was there, but Mr. Johnson had to give up that work when he was named chairman of the N.A.L.U. program committee. W. M. Duff, Equitable Society, Pittsburgh, whose term as trustee expires at Cincinnati, has announced that he will not stand for reelection.

Representatives were present from Minneapolis and Detroit to develop sentiment for their cities for the annual convention. They distributed literature and made presentations to the trustees. Boosting Minnesota were Wright Scott, Lincoln National, and A. R. Hustad, Northwestern National. They are seeking the 1942 convention.

Detroit literature was distributed at Wichita and E. P. Balkema, Northwestern National, Detroit, presented to the trustees an invitation to hold the annual meeting in his city some year in the near future. He did not insist on 1942 and it thus appears, at this point, that there is no competition with Minneapolis for next year's convention.

Mr. Lawrence has been general agent

New Million Dollar Round Table Qualifier

H. Kennedy Nickell, chairman of the Million Dollar Round Table announces the approval of the application of L. Mortimer Buckley of Chicago as a qualifying member of the Round Table—his first year of membership.



L. M. Buckley

Mr. Buckley qualified by writing over \$1,000,000 of life insurance in a year when his curricular and extra-curricular activities would have stopped one without most unusual capabilities. During this year of qualification he became supervisor of the Thurman agency of the New England Mutual in Chicago, managed Harry T. Wright's campaign for president of the National Association of Life Underwriters, served as a member of the National association committee on public information and was a member of the nominating committee at the Philadelphia convention. He is chairman of the board of the Chicago association and chairman of the business practice committee.

In the last 60 days he has paid for 25 cases with a volume of \$164,000. His total production in his qualifying year consisted of 81 cases on individuals, with no group or salary saving. It included 10 retirement annuity cases.

Ron Stever, Equitable Society, Pasadena, Cal., has just completed qualifications for the Million Dollar Round Table for the sixth consecutive year. He is a member of the executive committee of this organization and last year was chairman of the pre-convention outing. He was recently elected a director of the First Trust & Savings Bank of Pasadena, and reelected president of the Pasadena Community Chest.

McCormack to Review TNEC Report

Commissioner McCormack of Tennessee is preparing an address on the TNEC report, which he plans to give before the Gibson County Insurance Exchange at Trenton, April 17. He is making a careful study of the report in preparation for the address.

Lee Talks Over Station CKLW

J. L. Lee, manager Phoenix Mutual Life and program chairman Qualified Life Underwriters, Detroit, by invitation presented a 15-minute talk on the value of life insurance to the public over radio station CKLW of Detroit and Windsor.

For Lincoln National at Newark for 17 years and his agency has placed on the books \$50,000,000. When he took over the agency there was \$17,000 in force and three policyholders. Mr. Lawrence had had some earlier insurance experience in the office of his father, who was a general agent for Equitable Society in New York. Mr. Lawrence is a past president of the Northern New Jersey Association of Life Underwriters and of the New Jersey state association. He has had many important messages and has addressed many insurance gatherings. He is now on the circuit at four sales congresses in North Carolina. In 1938 he was designated the most valuable Lincoln National field man.

The trustees whose terms expire at Cincinnati are Ray Hodges, Ohio National, Cincinnati; Earl Colborn, Connecticut Mutual, Rochester, N. Y.; Paul Sanborn, Connecticut Mutual, Boston; Isadore Samuels, New England Mutual, Denver; and Messrs. Duff and Douglas.

Mr. Samuels, who is completing his second term as trustee, has told friends that he will not be a candidate for reelection.

Tentative Program of Medical Men

Authorities to Address Hot Springs Sessions of A.L.C. Section in June

Several outstanding medical men will be on the program of the annual meeting of the Medical Section, American Life Convention, at the Homestead, Hot Springs, Va., June 17-19. Dr. A. J. Robinson, medical director Connecticut General Life, is chairman.

Dr. Harry Goldblatt, professor of pathology Western Reserve University, widely known for original research work on the cause of high blood pressure; Dr. William Boyd, professor of pathology, University of Toronto, author of a standard textbook on pathology; Dr. C. C. Birchard, chief medical officer Sun Life of Canada; Dr. E. S. Williams, medical director, Life of Virginia, and Dr. J. T. Bowman, medical director London Life, London, Ont., will be the chief speakers.

Those Handling Program

Dr. Robinson, in cooperation with Dr. J. M. Livingston, medical director Mutual Life of Canada, program chairman, and other section officers, including Dr. W. F. Blackford, medical director Commonwealth Life, Louisville, vice-chairman; Dr. B. F. Byrd, medical director National Life & Accident, secretary, and Dr. Thomas H. Dickson, medical director Minnesota Mutual Life, member board of governors, is preparing a well-balanced program bearing on selection of risks and allied subjects.

A number of other prominent medical men will participate in the three-day program. Special programs will be arranged for women in attendance.

Gift to Indiana U. for Investment Research

A gift of \$1,000 to the School of Business of the University of Indiana, Bloomington, to establish a graduate assistantship for research work in investments during the academic year 1940-41 has been announced by Col. C. B. Robbins, manager and general counsel American Life Convention.

The gift was made by the Life Officers Investment Seminar, an organization of financial officers of A.L.C., which conducts a two-week study session each summer at the university. Dr. H. B. Wells, president at Indiana, accepted the gift with the hope that it might result in some further contribution to understanding of investment problems so important to vital financial institutions.

"It is our wish that the person to whom the assistantship is awarded shall engage in the study of some problem or topic pertinent to the field of life insurance company investment," said Col. Robbins. Determination of research subject will be made by the faculty of the School of Business in the field of investments, and it will have complete control over the research work as well as the publication of results.

The research work will be supervised by Dr. H. C. Sauvain, professor of finance and director of the Investment Research Bureau, with the executive committee of the seminar acting in an advisory capacity.

Illinois Department Names Ramsay Pension Examiner

Gordon A. Ramsay, Chicago attorney, has been appointed chief pension examiner in the insurance department's Chicago office by Paul Jones, Illinois director of insurance. Mr. Ramsay was assistant to former Vice-president Dawes when he was director of the federal budget, and served as public administrator of Cook County under former Governor Lowden.

N. Y. Companies Offer Substitute for Security Fund

Pink Accepts Proposal to Create Life Insurance Guaranty Corporation

NEW YORK—Faced with a special premium tax of one-tenth of one percent to build up a \$25,000,000 fund to protect policyholders of failed companies from loss, domestic companies here have come forward with a counter-proposal which would take care of the situation even more effectively than the plan embodied in the New York department's bill. It has the department's approval.

While the original department proposal contemplated a contribution of some \$1,250,000 a year and an accumulation period of some 20 years to reach \$25,000,000, the companies' plan would make any desired amount, up to the \$25,000,000 limit, available at any time. This would be done by setting up a non-profit corporation to be known as the Life Insurance Guaranty Corporation. In the case of an impairment, the fund would assess the members, which would be all companies domiciled in the state, in proportion to their assets.

Gives Companies Voice

Not only does this plan give the companies a voice in the management of the money which they contribute to the prevention of losses to policyholders but it obviates the need of building up a huge fund which might never have to be drawn on. It also avoids the bad public reaction that might ensue if policyholders of a New York company operating in California, for example, were to find themselves being taxed to build up a fund for the benefit of policyholders of a weak company which did not even operate in California.

Under the companies' plan every domestic life company would file with the superintendent of insurance, within 45 days from the law's effective date, a certificate designating the person who is to be his representative on the corporation's board. If a company failed to make this designation the superintendent would do so on its behalf. The designation, whether made by the company or by the superintendent, could at any time be revoked by the company either with or without cause and the vacancy be filled in the same manner as that provided for the original designating of a representative.

Superintendent Is Chairman

Each of these representatives would be known as a director and they with the superintendent of insurance would constitute the board of directors and would have complete charge of the corporation's management. The superintendent of insurance would be ex-officio chairman of the board. No director would be individually liable for anything done by the corporation or for any liability incurred or assumed and any such liability would be collectible only out of the fund nor would any company represented in the corporation be subject to any liability except for its unpaid assessments.

Impairment Procedure

In case of an impairment, the corporation could either assume the impaired company's obligations, arrange reinsurance with another company, paying the amount necessary to effect this; or the corporation could guarantee the obligations of the impaired company. The corporation would be empowered to borrow money for these purposes. Any

notes or other evidence of indebtedness of the corporation would be legal investments for domestic life companies and to the extent authorized by the superintendent could be carried as admitted assets.

Could Force Assessments

The corporation would be given the legal power to enforce, if necessary, the payment of all assessments for which any contributor might be liable under the law. The bill provides that the corporation must assume, reinsure, or guarantee the performance of insurance policies and annuity contracts of any impaired or insolvent domestic life company transacting business on Jan. 1, 1941, and gives the corporation the power to receive, own and administer any assets that might be acquired in connection with this work.

The bill aims to provide an absolute guarantee of payment of all death benefits. However, other benefits specified in the contract would be guaranteed only to the extent that the guaranty corporation, with the approval of the superintendent of insurance, should deem to be required or justified. Expenses of operation would be provided by assessment according to admitted assets in the same manner as funds to take care of an impairment.

No trouble is looked for in getting the bill speedily passed and signed by the governor.

Pittsburgh Men in Fund Work

Three Pittsburgh insurance men have top volunteer jobs in the Pittsburgh Community Fund. They are Steacy E. Webster, general agent for Provident Mutual Life, who will lead next fall's drive; Robert N. Waddell, general agent Connecticut Mutual Life, recently elected year-around president of the Community Fund; and Norbert H. Weidner, manager of Western Pennsylvania of Reliance Life, who is chairman for the second year of the city neighborhood division.

I.A.S.A. to Hold Chicago Meeting

The Insurance Accounting & Statistical Association is holding its annual convention April 23-25, in Chicago. Wednesday, April 23, will be taken up with a directors' dinner, advance registrations, and equipment exhibits and demonstrations. It will be held at the Edgewater Beach Hotel.

A general session will be held on Thursday morning, with E. M. Karrmann, controller American United Life, president of the association presiding, L. D. Cavanaugh, president Federal Life, will give the opening address. Further speakers will be Mr. Karrmann; B. H. Miller, statistician State Farm Life; R. R. Benjamin, assistant actuary Metropolitan Life; T. H. Steers, office planning consultant, Conway Bldg., Chicago; and C. L. Dedrick, chief statistician Bureau of Census.

A life insurance session will be held that afternoon, led by L. J. Hale, auditor Kansas City Life, director of the I. A. S. A. The speakers will include E. F. Cooley, assistant supervisor Prudential; J. E. Hyman, actuary Gulf Life; J. L. Staab, manager statistical department Continental Assurance, and E. V. Hoff, statistician Occidental Life.

The life session will continue on Friday morning with J. P. Walker, Jr., assistant secretary Southland Life, and director of the I. A. S. A., in the chair. Speaking will be C. W. Carrel, assistant controller Lincoln National; H. S. McNabb, manager valuation division Bankers Life; L. L. Stevens, assistant actuary Penn Mutual, and I. W. Kimmerle, manager statistical department Northwestern National. An open forum and a luncheon will follow.

Roy Le Crow, general agent of State Life of Indiana, and mayor of Atlanta, who is a lieutenant colonel in the army, on the inactive list, will resign as mayor and go into active service.

Public Relations Major Subject of Life Advertisers

Panel Discussions Brought Out Features of Interest to Publicity Men

The North Central Round Table of the Life Insurance Advertisers Association met last week at the Edgewater Beach Hotel in Chicago, with some 40 in attendance. R. B. Reynolds, American Mutual Life, was chairman and, in his introduction, emphasized the necessity of having advertising and sales promotion fit the thinking of people in today's world, taking into consideration how the public's thinking may be affected by world conditions. He stressed keeping close to the public and policyholders in order to help mold company advertising themes.

C. Sumner Davis, L. A. A. president, made a report of association progress, followed by Scott Anderson, Equitable of Iowa, vice-president of the L. A. A. Treasurer Russell Noyes, Phoenix Mutual, reported finances.

Public Relations Discussion

The keynote speaker of the first session was Earl E. Sproul, vice-president of the Western Newspaper Union, on "Public Relations." "It is important," Mr. Sproul said, "to bear in mind that all corporations, all businesses, all associations, are simply groups of people. And the personal element is what public relations has to deal with, and nothing else."

Following Mr. Sproul's talk, the meeting went into a detailed discussion on "how life companies can improve their relations with their employees, their policyholders, and the public." Russell Reynolds outlined "the importance of a more intelligent relationship between management and employee if we are to secure maximum efficiency in our operations." He pointed out how important a well trained personnel is in view of the fact that they are good will ambassadors in their contacts with the public.

John Grimes, Bankers Life of Iowa, said that public relations with employees is largely a "matter of family spirit, achieving a habit of happy living, and among all employees from very top to bottom."

Home Office Tours

Scott Anderson, Equitable of Iowa, presented the idea of periodically gathering a group of relatively new employees for lectures, followed by examinations, including explanation of an annual statement. A novel plan his company has is that of conducting employees on tours of their own home office.

Fred Fisher, Lincoln National, gave details of his company's very original plan for a study course through an "information please" dramatization. All employees are given sets of questions and answers. Once a month the company holds a quiz program, with voluntary participants, and prizes for winners.

E. S. Westcott's contribution to the program was a description of the Bankers of Nebraska's junior board of directors.

In the general discussion the round tablers asked and answered questions about company experiences with the more colorful and interesting annual statements of the past year.

Alberta Stutsman, Massachusetts Mutual Life, Detroit, explained the possi-

(CONTINUED ON PAGE 23)

NEW IDEAS

We like what a certain shrewd sales official in life insurance asks when promotion of a certain selling idea is suggested: "Has it been tried in actual selling? Until it has, no matter how well it glitters, it is not gold, it's ore."

Of course the selling idea has to get started somehow and somewhere, but the chances are that it will have to remain in an experimental stage, as some enthusiast's pet, until it proves its worth, before sales managers in life insurance will share it with all and sundry. And that is a very healthy attitude of reception.

Many a "new" life insurance selling idea is like the proverbial jack-knife, first a new handle, then a new blade, then another new blade, "but still the same old knife." The old principle of trial and error governs progress, and changes blend into changes.

But sometimes, through the years, a selling idea starts, changes, changes again, and finally, by the most natural process, becomes almost exactly what it was when it began. And why not? A wagon wheel moves in a circle,—the wheel may seem to get nowhere, but the wagon does.

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA



INFORMAL GROUPS AT N. A. L. U. MID-YEAR MEETING IN WICHITA:

Above—Bert S. Berry, Travelers, Hutchinson, Kan.; Will S. Thompson, president Great American Life of Kansas, and Lester W. Hoover, Continental Assurance, Hutchinson.

Below—Ralph Hoyer, John Hancock Mutual, Columbus, O.; Miss Helen Summy, Equitable Society, St. Joseph, Mo., and Herbert P. Lindsley, educational director Farmers & Bankers Life.

Life Men Steal Show at Nashville Insurance Forum

NASHVILLE, TENN.—The auditorium of Watkins Institute was filled to overflowing to hear a forum discussion of the general subject of insurance, which developed, however, into a defense of private management of life insurance by local life men, including James B. Fly, Life & Casualty, president Nashville Association of Life Underwriters; J. I. Lasky, district manager Metropolitan Life; E. T. Proctor, general agent Northwestern Mutual Life; W. H. Browder, general agent Penn Mutual Life, and Alden Smith, Northwestern Mutual.

One of the important questions raised concerned a TNEC statement that 94 percent of industrial insurance policies fail of their purposes due to lapsing. Mr. Smith declared that "such policies do serve the purpose of immediate protection and afford ample protection during their life." Other speakers cited figures of millions of dollars paid in benefits on industrial insurance and the number of persons saved from paupers' graves by this type of protection. A local attorney asked why, in view of reduced mortality rate, premium rates had not been lowered. The reply to this was that any factor working toward reduction of premiums had been completely offset by lower interest rates on insurance funds to be invested.

So much time was taken up with the discussion of life insurance that consideration of other forms had to be deferred to a later date.

Military Service & Life Insurance answers all your questions. 50c, National Underwriter.

Par-for-Parkinson Drive Starts in West

The Par-for-Parkinson campaign of the central division of Equitable Society in honor of President T. I. Parkinson, an annual affair, was started April 1 to run throughout April and wind up at luncheon and dinner meetings in Chicago May 12 when President Parkinson will attend.

All agents of the division are striving for at least five applications each during the month, and also are contending in each of the 24 agencies to win the honor of being designated as "Par Agent." Unit managers throughout the division also are contesting for the designation of "Par Unit Manager" to be awarded in each of the agencies.

President Parkinson will be the guest May 12 at a luncheon at which the Chicago managers will be hosts, and he will be the host at a dinner that night exclusively for the designated "Par Agents" and "Par Unit Managers," when the various awards will be given.

More Funds for Minn. Department

ST. PAUL—Persistent pleas of the Minnesota department for some years for increased appropriation have finally brought some results. The appropriation bill now before the senate provides the department shall receive \$54,500 for each of the next two years to cover all salaries and department expenses. Two years ago the appropriation was \$48,000 per year, but later an extra \$4,000 was allotted, bringing the total to \$52,000.

The amount provided is considerably short of what the department used to receive some years ago, when its work was not as heavy as now.

LEGISLATION

Conn. Governor Strongly Behind Savings Bank Bill

HARTFORD—Governor Hurley has emphatically declared himself in favor of savings bank life insurance and expressed the hope that a bill establishing such a plan would pass the legislature. "No savings bank is compelled to sell it," the governor said. The assets of the savings bank are clearly separated from its insurance assets and cannot be mingled, he continued, and the savings of depositors cannot be used in connection with the insurance department. He said they would be separate and distinct enterprises except that they would be conducted under one roof.

"It is not state insurance," the governor declared. "It is private insurance with the same safeguards as any other life insurance company sets up. The insurance income is taxed just like income of any domestic life insurance company. The state does appropriate a small amount to pay a commissioner, an actuary and a medical director, but this is only to get it started. After five years it must be entirely self-supporting and is so today in Massachusetts."

Nebraska—A favorable report has been made on the bill asked by Governor Griswold, which removes the ceiling of \$3,200 a year salary for the director of insurance, leaving it to the governor to fix the salary and make it payable out of fees collected by the department instead of out of property taxes.

L. B. 126, amending the contestable statute by including aviation risks, has been reported favorably. Two changes were made by the committee. One strikes from the exemption those "associated with" aeronautics, and the other provides that limitations with reference to aeronautics shall not be included in any policy where an extra premium is charged to cover the aeronautic risk nor shall any such limitations extending beyond the contestable period be included in or attached to any policy where the applicant has not elected in writing to accept a policy with such limitations and by such election has agreed to a reduced coverage for the aviation risk.

Minnesota—The time limit for introducing bills without special permit expired March 31. The legislature has until April 24 to pass on bills before it.

H. F. 963, which would apply the premium tax to membership fees, met opposition from accident and health groups, who feared it would apply to policy fees which they charge. The bill was referred to a sub-committee for study.

A bill providing for divorcing the incontestability provision from a limited aviation cover has passed the house and is on general orders in the senate. Former Commissioner Yetka ruled that the incontestability provision in the Minnesota law prohibited Minnesota life companies from writing an aviation exclusion rider wherever they did business. Foreign companies likewise were denied the right to use the rider in Minnesota.

A bill legalizing the writing of certain types of life insurance on members of credit unions was reported out.

California—S. B. 24, which provides among other things for increasing the salary of the insurance commissioner to \$10,000 per year, has passed the senate and will come before the insurance committee of the assembly April 7.

South Carolina—The present law relative to licensing new companies, which requires \$100,000 capital and deposit of \$20,000 in securities acceptable to the commissioner, would be changed under a bill now before the house committee to require the deposit to be in cash or government bonds.

Arkansas—A bill increasing the insurance commissioner's term to four years

Wandling Heads '41 Nominators

Lee Wandling, Equitable Society manager at Wichita, was high in the balloting for members of the nominating committee at the mid-year meeting of the National Association of Life Underwriters and hence becomes chairman of that committee. It has come about in recent years that the general chairman of local arrangements for the mid-year meeting is elected chairman of the nominating committee. Mr. Wandling was general chairman at Wichita.

Other members of the 1941 committee are: C. W. Wyatt, John Hancock, Boston; Claude Jones, Connecticut Mutual, Indianapolis; Glen A. McTaggart, Prudential, Denver, and Osborne Bethea, Penn Mutual, New York.

Equitable Old Guard Honors Behr at Annual Reunion

Louis Behr, associate agency manager Lustgarten agency, Equitable Society, Chicago, was awarded the medal for the agent doing the most for the institution of life insurance in the preceding year by the Equitable Old Guard at the annual reunion at Atlantic City. The Old Guard, composed of men who have served the company for 25 years or more, heard Vice-president W. J. Graham and other officers of the company. H. A. Chipman, agency manager, Columbus, O., responded for the members.

New officers elected by the veterans are: M. A. Nelson, St. Louis, president; W. M. Duff, Pittsburgh, vice-president; T. M. Riehle, New York, treasurer; E. L. Carson, Milwaukee, secretary. Those elected to the executive committee are T. B. Sweeney, Wheeling, W. Va.; M. H. Casey, San Francisco; H. H. Wilson, New York; M. C. Nelson, Des Moines; R. M. Ryan, Detroit, and Philip B. Hobbs, Chicago.

Company Honors Prouty Agency

LOS ANGELES—Phineas Prouty, Jr., general agent for the Connecticut Mutual Life, and his agency associates were honored at a dinner given by the company in recognition of Mr. Prouty's work as chairman of the Pacific Coast agencies in the Fraser month production drive last July. All of the agencies under Mr. Prouty's direction achieved 100 percent "plus" months over the corresponding period of 1939.

Officials at the dinner included Vice-president Vincent Coffin, R. W. Simpson, assistant superintendent of agencies, and H. M. Holderness, superintendent of Pacific Coast agencies.

Ron Steyer, Equitable Society, Pasadena, who is on the executive committee of the Million Dollar Round Table, spoke on behalf of that organization.

Paul Clark in Atlanta

Paul F. Clark, vice-president John Hancock Mutual Life, visited the Atlanta agency, Walter Powell, manager, talked at a luncheon of the Leaders Round Table of Georgia, and was guest at a dinner given by the Atlanta Life Managers Club and the Life Insurance & Trust Council.

has been signed by the governor; also one exempting from the unemployment compensation act insurance solicitors wholly on a commission basis.

Ohio—The senate has passed bills which would permit life companies to write group insurance on families and permit conversion of a stock company into a mutual.

Pennsylvania—H. 935 would require all life policies to state the rate of interest charged on loans and would prohibit the compounding of loan interest.

Iowa—The senate passed S. F. 388 which returns the collection of insurance premium taxes from the state tax commission to the insurance department.

Home Life's 81st Annual Report Builds Prestige for Field Force



Although you won't find him listed on any balance sheet, the modern life underwriter is one of the most valuable assets of every life insurance company.

That's why two of the eight pages in Home Life's Annual Report to Policyholders* were devoted to explaining the tremendously important job the modern life underwriter is doing for his clients.

*Prepared in newspaper form to give policyholders a clearer picture of Home Life's financial standing and methods of operation. Copies of this interesting report are available upon request addressed to William P. Worthington, Superintendent of Agencies.

ETHELBERT IDE LOW, Chairman of the Board

JAMES A. FULTON, President

HOME LIFE INSURANCE COMPANY

256 Broadway, New York, N. Y.

C. C. FULTON, Agency Vice-President

W. P. WORTHINGTON, Supt. of Agencies

National Service Moves to Chicago

**President Simmons
Transfers There; Bredberg
Handles Production**

National Service & Appraisal Company of New Orleans is moving its home office to Chicago, where hereafter Theodore M. Simmons, who recently was elected president, will make his residence. The company will consolidate with its midwestern division branch in 209 West Jackson boulevard.

Harold L. Bredberg, of Chicago, vice-president, who is known country-wide and formerly for a number of years before joining National Service eight years ago was special agent and home office underwriter connected with a number of fire and casualty companies



T. M. SIMMONS

in Chicago and the midwest, has been placed in charge of production. He has been manager of the insurance division and also has traveled in the east developing business for the Guardian Mercantile Agency, eastern subsidiary of National Service.

Other officers are H. L. Barnes, vice-president and Chicago manager; L. R. Cook, vice-president, and D. E. O'Kelley, secretary-treasurer. Mr. Cook has been located in Chicago for eight years, having to do mainly with F.H.A. and other mortgage reports. Mr. Barnes has been connected with National Service since it was founded and Mr. O'Kelley, who formerly was vice-president in charge of the eastern department, has been located in Chicago since last September.

National Service & Appraisal does work for a great many companies and in all lines. The move to Chicago is being made to concentrate the activities due to a large volume of business in the middle west.

Mr. Simmons is well known in the life insurance business, having been for a number of years manager of United States agencies of Pan-American Life. He has had 17 years' experience in life insurance, investments and allied lines. He stated the Chicago office accounts for a substantial part of the national business and is the logical headquarters. As president he succeeds his brother, Fisher Simmons, who died recently.

National Service and its Chicago subsidiary, Hill's Reports, issue insurance, credit and investment reports. National Service was organized in 1925 and shortly thereafter purchased Hill's Reports, one of the oldest established reporting agencies in the middle-west. It also owns subsidiary corporations in New York, New Orleans and other parts of the country.

Million on One Life for Fidelity Mutual Man



L. C. BURWELL, JR.

L. C. Burwell, Jr., 33, Fidelity Mutual manager in Charlotte, N. C., has entered the million dollar production class with one case. He has represented the Fidelity for about five of the 11 years he has been in the insurance business and has devoted himself to building a high grade clientele through his knowledge and skill in handling the more complex aspects of life underwriting.

He has won the title of "flying insurance man" by his practice of taking off at short notice in his "Cub Coupe" for distant points to see a prospect who had temporarily eluded him. In fact it was in connection with such a flight that he closed a little over \$1,000,000 on one life a few months ago—although the groundwork for that case was laid as far back as 1932.

Knowing this prospect had a thriving, fast growing business, he wrote him from time to time throughout the eight years—each time receiving a courteous but negative reply. A favorable contact with the prospect's attorney was gained, however, and a valuable reference was obtained. Constructive service for a large customer of the prospect's firm resulted also in a reference. Last spring a letter came from the prospect, then in Florida, suggesting an appointment when he returned, but specifically stating that his affairs were in capable hands and that he knew of no need that had not been fulfilled. As a result of the subsequent interview, however, Mr. Burwell was able to make a thorough study of the prospect's personal and corporate setup.

The first business resulting from this was \$100,000 written on Mrs. Prospect, in anticipation of taxes in connection with some property transfers. In the main case, progress was slow and competition was keen. The case was crystallized, however, when Mr. Burwell flew to New Hampshire and persuaded the prospect to fly back to Philadelphia with him.

The insurance placed on this one life was slightly more than \$1,000,000, although insurance on two other executives of the corporation amounting to \$400,000 was placed, through the insured's previously established insurance channels, as a direct result of Mr. Burwell's recommendations.

The corporation insurance was sold as key man coverage and the personal insurance as highly desirable property in an estate which was not too well diversified.

J. P. Leatherman, general agent for the Continental Casualty-Assurance at Lansing, Mich., is moving his office to 501 American State Savings Bank building, acquiring much larger space than his previous location, in the same building. The business the past year has shown a substantial increase over any previous year.

STORIES FROM LIFE



HUGH AND ALICE WILL MAKE THE GRADE —THANKS TO DAD!

He was just a young fellow of twenty-four when he bought his first \$1000 life insurance policy from the Provident. When he died recently he left a wife, a grown son, two fine children of college age, and \$18,000 of Provident Mutual life insurance.

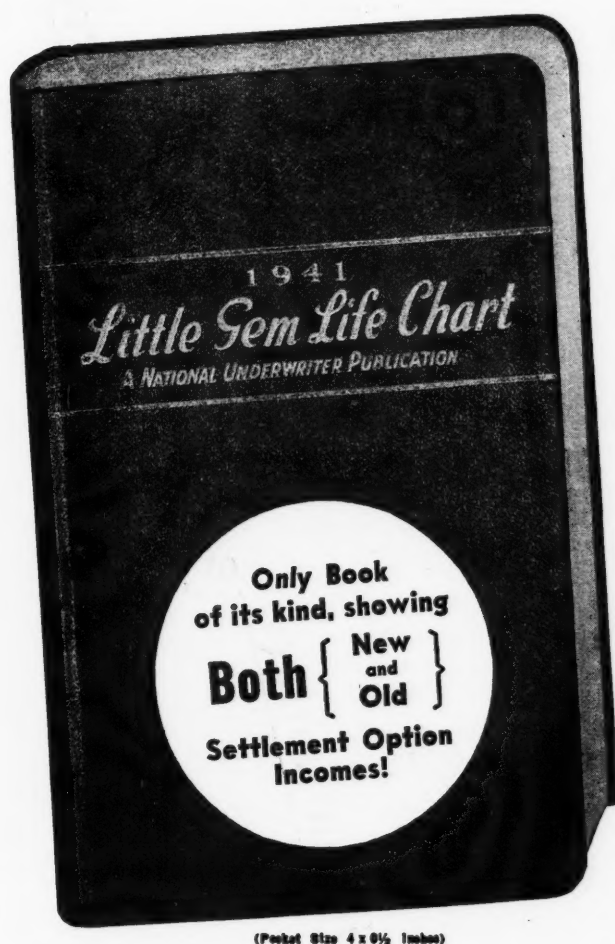
Eighteen thousand dollars—a lot of money! But how small it seemed when it must send two kids to college and support a widowed mother.

That's where the hidden values of life insurance came into the picture. While the children are in college the widow will receive a monthly check for \$173 to cover living expenses. Twice each college year there will be instalments to pay college bills. And when the children are graduated, their mother will receive the income from a \$10,000 annuity.

It wasn't easy for this father to carry his life insurance, yet could he look back today, how proud he would be that his sacrifice had provided independence for his wife and a heritage of priceless opportunity for his children.

STABILITY—SAFETY—SECURITY

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY OF PHILADELPHIA
Pennsylvania • Founded 1865



Be Well Prepared in 1941

with **NEW, UP-TO-DATE,**

Facts and Figures that Sell

Every underwriter has occasions when some little item—often a rate, value, or policy point—becomes suddenly, most important. One can never predict when this will happen. Yet if available, the answer may be just the thing to close the sale right away—and “conditions” may never be so favorable again. Thus it is highly important to be well-prepared with the facts, at all times.

Sweeping CHANGES

Make New Information Essential

Important changes in rates, reserves, dividends, etc., have already been announced or are contemplated shortly by more than 50% of the companies—according to a questionnaire recently sent out by the American Life Convention. Among those reporting major changes are the Aetna, Connecticut General, Connecticut Mutual, Equitable Society, New England Mutual, New York Life, Northwestern Mutual, Phoenix Mutual, Prudential, Travelers, Union Central and many others. Consider what it means to risk misquoting data on companies such as these.

Get the New 1941 “LITTLE GEM” — Now Ready for Delivery!

(Full Preparedness means using the most effective “weapon”)

To meet the new situation caused by these widespread changes, the most effective pocket reference book is the new 1941 Little Gem. Not only does it provide all the answers available from ordinary books, but it also contains *numerous extra features of real value.*

For instance, the Little Gem is the **ONLY** book of its kind showing the Incomes Payable under contracts *issued years ago*—as well as those now being issued. Indexed by dates of issue, this most important information, so helpful in

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programming and selling the income idea, is available from no other similar book.

Furthermore, the Little Gem covers some **60 extra** companies, gives rates on **864 extra** contracts and shows values on some **344 more** contracts than its principal competitor—and that's approximately 50% more. Not only is the Little Gem more comprehensive but it is most carefully planned throughout. For instance, it is printed in **larger, easier-to-read** type. It has only ten sections—ten places to look. Other books have as many as 17 sections, so the Little Gem is obviously easier-to-use, too. Yet it costs no more.

The “LITTLE GEM” gives ***More on ALL** the important subjects!

Policy Points & “Practice” (150 companies)
Premium Rates—All Ages (2700 contracts)
Disability & Double Indemnity Rates
Cash Values on over 1000 contracts
Also Values and Incomes at 55, 60 and 65
Net Costs, Net Payments & Summaries
Annuity Rates—Immediate & Retirement
Special Programming Section of over 52 pages—1/3 more than any other

Direct Reading **Social Security** Tables
Retirement Contracts—costs, values, etc.
Juvenile, Term, Industrial, etc.
Settlement Options—Both New & Old—274 tables
Supplemented Monthly by The Insurance Salesman
Financial & Business Reports—four years, 22 items, and for 228 companies.
WAR CLAUSES—Special treatment, up to date at time of delivery.

And many other useful features.

Take Advantage of its **EXTRA VALUES**

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Rush at my “club rate”

.....copies **New 1941 “Little Gem”**
(details on your “club rate” on request)

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To The National Underwriter Co., Statistical Division
420 East Fourth Street, Cincinnati

See War Clause Solution in N. Y.

NEW YORK—Prospects for clearing up the unsatisfactory war clause situation in New York state appeared good as the legislature approached adjournment this week. Two bills which would give the companies the right to exclude deaths resulting from status as a member of the armed forces rather than deaths due to military or naval service, as the present law reads, seem likely to be passed. Both have the department's endorsement.

Two bills were introduced to give the governor a choice. One would permit companies to exclude deaths for any cause whatever during the first two years and thereafter limit exclusions to present restrictions but permit the status basis for deaths in military service. It would also permit a residence and travel war death exclusion but this would only be operative within five years after issue.

The second bill would not distinguish between the first two years and the period following, but would make the specified permissible exclusions apply from the start. In addition to the military and residence travel exclusions companies would be allowed to exclude deaths resulting while traveling or residing abroad even if not due to war causes if occurring within the first two policy years.

Chicago Actuaries Discuss TNEC-SEC Investigation

A strictly factual review of some of the high points in the TNEC-SEC investigation of life insurance was presented the Chicago Actuarial Club by Wilbur Johnson, actuary for Central Life of Illinois, and W. O. Morris, actuary for North American Life.

F. E. Huston, American Life Convention, discussed briefly some of the changes in the financial statement being considered by the blanks committee of the National Association of Insurance Commissioners.

The club will hold its election at the April meeting. Harold Reise, consulting actuary; Howard E. Reeder, actuary Continental Assurance, and John A. Roberts, Continental Assurance, form the nominating committee.

David Scott, Continental Assurance, was voted to membership by the club.

CIO Is Having Trouble in Chicago Organizing

The CIO is not having signal success in its efforts to organize the Chicago industrial agents of John Hancock Mutual Life. The agents are apathetic about the proposition and by no means are making a demand to change their status either to CIO or AFL.

An election was to have been held in Chicago April 4 under the auspices of the National Labor Relations Board, but it is now reported this probably will be postponed to April 10.

One of the difficulties which CIO probably will have to surmount in the minds of many of the agents is its wide divergence of interests. Among other things it favors bank life insurance, an idea diametrically opposed to that of the agency system.

The election is to determine not only whether the John Hancock agents are to go AFL or CIO, but also whether they want to remain unaffiliated. This latter result is a possibility which seems to concern both labor organizations, for Jack Bradon, organizer of the American Federation of Insurance Agents, Local No. 20,817, and Albert Shepherd of New York, director of organization of the Industrial Agents Union, are in Chicago directing the siege.

J. S. Gould, secretary, and W. F. Drescher, assistant general counsel, of Reliable Life of St. Louis, are on an extended trip visiting all of the districts of their company in Arkansas and Texas.

Peterson to John Hancock in Home Office Post



C. W. PETERSON

SAN FRANCISCO—C. W. Peterson, manager San Francisco agency of Phoenix Mutual Life since 1925, until a few months ago when he became assistant manager here, has resigned to become affiliated with the John Hancock Mutual Life at its home office in Boston. No definite announcement has been made as to the exact nature of his new duties, but it is understood he will be associated with the group department. He has assumed his new position.

Mr. Peterson was honored at a number of informal gatherings before leaving. He was guest of honor at a stag party at the home of his successor, R. Edwin Wood, manager of the Phoenix Mutual in San Francisco. Members of the agency presented Mr. Peterson a handsome wallet.

Since coming to San Francisco 16 years ago Mr. Peterson has occupied a prominent position in the life insurance field. He was a leader in reorganizing and rejuvenating the San Francisco General Agents & Managers Association and was its president. He also was president of the San Francisco Life Underwriters Association and an officer of the California Association of Life Underwriters.

He has been a member of the legislative committee of these organizations and appeared on various association programs.

He began his life insurance career as a part-timer for the Phoenix Mutual while attending Washington State College where he was graduated with a B.A. degree. Then he entered the business on a full-time basis. Before becoming a manager in the Pacific Northwest he was in the half-million production class.

Benson Outlines Prospect Bureau

CINCINNATI—J. C. Benson, manager home office agency Union Central, is talking on "A Prospecting Bureau" before the Associated Life General Agents & Managers April 4. Mr. Benson attributes over \$1,000,000 of business in his agency last year to the efforts of this prospecting bureau.

Hustad to Address Buyers

Arthur Hustad of the White & Odell agency of the Northwestern National Life in Minneapolis will address the Insurance Buyers Association of Minnesota April 16 on "Group Health and Accident Insurance."

Enters Group Hospital Field

The St. Louis Mutual Life is entering the group hospital insurance field. It started writing accident and health rather recently.

Just the thing to convince hard boiled prospects—"24 Men in 24 Years," 8 booklets \$1 from National Underwriter.

Over Three-Quarters of a Billion Dollars of Life Insurance in Force!

Gain in 1940

Approximately \$65,000,000

The
NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.

C. A. CRAIG, Chairman of the Board C. R. CLEMENTS, President

HOME OFFICE NATIONAL BLDG.
NASHVILLE TENNESSEE

Wichita Congress Holds Crowd of 600

Gale Johnston Gives Particulars of Defense Savings Certificates

Gale F. Johnston of St. Louis, who has been made available by Metropolitan Life to the treasury department to serve as field director of the "defense savings staff," in his address at the national sales congress at Wichita gave the particulars of the series of three savings bonds that constitute the defense savings securities. Mr. Johnston at Washington will be in charge of building an organization in each state to stimulate the public to buy these defense savings certificates, similar to the old liberty loan organizations.

The national council of the National Association of Life Underwriters the previous day adopted a resolution, pledging that the members of the association would lend their assistance in carrying out the program to help finance the national defense. Mr. Johnston is a trustee of the N.A.L.U. He is leading a very busy life. He appeared on the sales congress program Saturday morning, then caught a plane for Kansas City, motored to Jefferson City, Mo., for a conference, then went on to St. Louis that evening and the next day went to Washington. He has been on the job in Washington now about one month.

Series E Bonds

The series E bond, he explained, is an appreciation contract which is sold at 75 percent of its maturity value. It matures in 10 years and is issued in denominations of \$25, \$50, \$100, \$500 and \$1,000. If held to maturity this bond appreciates 33 1/3 percent, or at the rate of 2.9 percent compounded semi-annually. It is designed for the small investor; it may be purchased only by individuals and each owner is limited to \$5,000 maturity value issued in any one calendar year. It is non-transferable. It can be registered in the name of one individual, or of two individuals as co-owners or of one individual and another as beneficiary. It may be redeemed at any time after 60 days according to a table of reduction values.

Series F bonds are intended for larger investors. They may also be purchased by associations, partnerships, trustees or corporations except banks of deposit. They are sold at 74 percent of maturity value, mature in 12 years and are issued in denominations of \$100, \$500, \$1,000, \$5,000 and \$10,000. The appreciation if held to maturity is equivalent to interest at 2.53 percent compounded semi-annually. The bonds may be redeemed on one month's written notice and at any time after six months from date of issue at fixed values. These bonds are also non-transferable and may be registered like the series E bonds and, in addition, in the name of any association, partnership, trustee or corporation. Ownership is limited to \$50,000 of series F bonds or \$50,000 of series F and series G combined issued in any one calendar year.

Series G bond is a current income contract designed for larger investors who desire regular interest income. They are sold at par and are issued in denominations of \$100, \$500, \$1,000, \$5,000 and \$10,000. They mature in 12 years and interest of 2.5 percent is paid semi-annually. They may be redeemed at par only if held to maturity. They may be redeemed at lesser values on one month's written notice at any time after six months from date of issue. They are non-transferable and may be registered under the same rules as for series F bonds.

To enable small investors to purchase these bonds, postal savings stamps in denominations of 10 cents, 25 cents, 50 cents, \$1 and \$5 will be offered. The securities will be brought to the attention of the public through nationwide

publicity programs and extensive field organization. There will be a national organization, as well as an organization in each state and local organizations in counties, cities and towns or other political units. One of the main purposes of the program will be to teach thrift, to encourage savings by investment in government securities.

There will be the ordinary plan of outright purchase of securities from fiscal agents of the treasury department. Then a plan of buying from current income will be encouraged. Several methods for saving systematically and automatically will be offered.

Employers will be asked to cooperate by making it possible for employees to purchase these securities through payroll savings plans. Financial institutions will be asked to sponsor a bank depositors savings method.

The loud speaker system set up for

the speakers at the sales congress didn't work out so well. The connecting wires were so long that they picked up broadcasts of the Wichita police department, two blocks away. At a dramatic point in Harry T. Wright's talk the words "Okey 37" came in startling Mr. Wright for a moment; he quickly replied "Okey 38" and proceeded. The following speakers didn't attempt to use the system and avoided interruptions.

The Minneapolis association put in a fine plug for their bid for the 1942 annual meeting by showing a timely and interesting movie film of Minneapolis during the afternoon session under the direction of A. R. Hustad, Northwestern National, Minneapolis.

There were more than 600 paid reservations for the sales congress and Saturday luncheon, the only registration fee called for in the three day session. The Lassen hotel served the luncheon in a

most satisfactory manner and all was clear for Holgar Johnson, president Institute of Life Insurance, when he went on the air for his talk and broadcast over the Mutual network at 1:15 p. m.

The talk of Gale Johnston which had been scheduled for the afternoon program, was shifted to the morning session which resulted in an early closing of the sales congress, much to the delight of those who had been in meetings for all three days including two evening meetings.

Many remained over in Wichita until Sunday to relax. Many made tours of the four airplane factories and other points. There was plenty of night life available for those seeking it even in "bone-dry Kansas." Leo R. Porter, Lincoln National, past president of the Kansas association, was chairman of the "night entertainment" committee which turned out to be a busy one.



POWER PULLS THE LOAD

There's power in the purpose of the agent who has a John Hancock Readjustment Income Sales Plan in his kit.

For the hard pull, it gives ease to the presentation, because it meets a universal need and is backed by the powerful force of national advertising.



General Agents Have Dinner Parley

During the Wichita N.A.L.U. meeting there was an overflow crowd of more than 100 for the General Agents & Managers dinner. Wm. H. Andrews, Jr., Jefferson Standard, Greensboro, chairman, also a national trustee, presided. He explained the set up of the general agents and managers committee. Suggestions and ideas are solicited of the membership, objectives outlined including "Elimination of Unfit," "Better Training of General Agents & Managers," "Better Selection," "Cooperation with Local Life Underwriters Associations."

It was pointed out that a man is not eligible to office in the National association unless he is also a member of his local association, as the general agents association is merely a part of the N. A. L. U. set-up. It was suggested that all of the 105 general agents associations check their membership to see that all belong to their local life underwriters association.

A few members were called on for informal remarks about the activities of

their local associations among these being Bob White of Dallas, George Suhme of Oklahoma City, J. Stanley Edwards of Denver, Ray Rail of Los Angeles, Roy Johnston of Cincinnati, Lynn Smith of Wichita, Robert Hesse of Madison, Wis.

Among the outstanding activities cited were cooperation with local association in educational program in Dallas; organization of cashiers club in Wichita; membership campaign in Kansas City; purchase of a "field kitchen" for the British Relief Society in Denver. L. W. S. Chapman urged that local associations make use of the list of available speakers published in the "Managers Magazine."

Grant Taggart, California-Western States Life, Cowley, Wyo., national secretary, had a busy week. On Tuesday he spoke at Lincoln preceding the big "Grant Taggart" day celebration at Dodge City where he addressed nearly 100 at an early dinner meeting and an assembly of about 1,000 later in the evening.

E. H. Doty and L. E. DuFrain of the Lincoln association accompanied Mr. Taggart to Hutchinson en route to Dodge City where they picked up the Hutchinson delegation headed by Kansas President J. E. Conklin and Secretary Guy C. Glascock and all formed a caravan on to Dodge City where they were royally received in western cowboy fashion that made Mr. Taggart feel much at home. Practically the entire Dodge City crowd went on to Wichita, headed by President Neil Grantham and Vice-president Elmer Henry.

An innovation at the Wichita meeting was the C.L.U. breakfast meeting at which Levi B. Rymph, Aetna Life, Wichita, presided. Mr. Rymph is in charge of the C.L.U. school in Wichita and was assisted by Wichita C.L.U. members.

Julian S. Myrick, Mutual Life, New York, was the first speaker, followed by J. M. Holcombe, Jr., William M. Duff, Pittsburgh, and J. Stanley Edwards, Denver.

Informal remarks were added by many

of the 40 in attendance, of special interest being those of Turey Hayes of Salt Lake City, still active at 67 after 40 years in the business. A letter was read from the California chapter. The Huebner Foundation was discussed at some length.

April "Weidenborner Month"

Guardian Life has designated April as Weidenborner Month in honor of Frank F. Weidenborner, agency vice-president. Guardian agencies throughout the country have been grouped into six leagues, with each team in a league competing in a schedule of 26 daily matches during April against the other teams in its division.

Individual agents will compete for leadership regardless of league affiliation in two divisions—number of lives insured and on a point-scoring basis dependent upon volume of business submitted.

Military Service & Life Insurance answers all your questions. 50c, National Underwriter.



AT WICHITA MEETING OF N. A. L. U.:

Above—Gene Conklin, Equitable Society, Hutchinson, president Kansas state association; Jack Lynn, vice-president General American Life; Dallas Alderman, vice-president Kansas City Life, and Frank Seitz, vice-president American Home Life, Topeka.

Below—Bill Burton, general agent Pathfinder Life, Grand Island, Neb., and Albert Cutler, NATIONAL UNDERWRITER.

Life insurance as a true basic element of civilized society, is as fundamental as the recognition of man's responsibility to man.

The Great Southern is right proud of its calling. For thirty-two years it has served, with honor and distinction, its single purpose: To provide sound, permanent life insurance protection to those thousands who have entrusted to it their plans for financial independence.



**GREAT SOUTHERN
LIFE INSURANCE COMPANY**

E. P. Greenwood, President

Home Office

Houston, Texas

Savings Bank Dividends System

Explain Practice in Mass. of Pitching Scale for 3 Months

BOSTON — Criticism having been made of the practice of the Savings Bank Life Insurance plan of Massachusetts in setting up dividends for a three months period only, in contrast to annual dividend apportionment, Judd Dewey, deputy commissioner of savings bank life insurance, explains the reason.

The fiscal year for savings-insurance banks ends Oct. 31, he states, and the annual statements are required to be filed by Dec. 31. Directors of a regular company being informed from month to month as to mortality and investment results, may properly determine prior to the close of the fiscal year the dividend scale for the ensuing year.

The savings-insurance banks cannot pursue that plan, as they have to make an actual determination of the net profits in each bank before there can be any allocation of the year's profits to dividends or surplus. This is due to the requirements in the law that each such bank shall add not less than 20 percent of its net profits to surplus until it has attained a surplus of \$20,000, and that after attaining such surplus the bank may not add more than 15 percent of its net profit to surplus in any year without the consent of the state actuary and, without such consent, may not add such sum as would make its surplus greater than 10 percent of its insurance reserve.

Vote of Trustees

The result is that in each such bank the net profits must be determined before any sum can be allocated to dividends or surplus and the vote of the trustees in each bank must be a vote to allocate a specific sum to each in dollars and cents.

The fiscal year for the banks ends Oct. 31. The calculation thereafter of the net profits for each bank requires time. Usually these calculations are not completed much in advance of Dec. 31. It has been the custom, therefore, for the banks at some time prior to Oct. 31 to vote to continue the current dividend scale during the three months following Oct. 31 and the sum required is set up in the statement as "dividends declared or apportioned to be paid to policyholders to and including Jan. 31." The balance of the profits for the year are set up as undivided profits.

The actual allocation of the profits to dividends and surplus in each bank has to be made by vote of trustees. Regular meetings of savings bank trustees are held quarterly but not on uniform dates. In order that the annual statement in its final form might show allocations to dividends and surplus for the year, the legislature this year enacted an amendment under which, on or before April 1, the banks will file a supplemental statement, showing the distribution to surplus and dividends for the remaining nine months of the year, of those sums which were set up in the annual statement as undivided profits and the changes in surplus resulting from such distribution.

National Refund Co. Broadcast

Radio listeners in the southwest lately have been bombarded with broadcasts over Station XERA in Del Rio, Tex., from the National Refund Company. This is one of those solicitations to policyholders to send in old contracts on which premiums are no longer being paid, to determine whether there is any cash value.

A. M. Burton president of Life & Casualty, Nashville, spoke to students of Harding College, Searcy, Ark., on "The Rules of Success."

Denver General Agent Before Women at Wichita



ISADORE SAMUELS

About 40 women agents and cashiers gathered at a dinner in Wichita during the mid-year meeting of the National Association of Life Underwriters. It was the first such get-together at a mid-year convention.

Mrs. Nina Schumacher, Union Central, Wichita, was in general charge, and presided. Joy Luidens, executive secretary of the Chicago association, gave a talk. Miss Helen Summy, Equitable Society, St. Joseph, Mo., introduced the speaker of the evening, Isadore Samuels, Denver general agent of New England Mutual Life, and an N.A.L.U. trustee. He gave an inspirational talk that was very well received.

High Court Won't Hear Ohio National Bank Stock Case

The U. S. Supreme Court has declined to review the decision of the circuit court of appeals holding Ohio National Life for stockholders' double indemnity of \$139,800 in connection with shares in the defunct Roseland State Bank of Chicago. The stock was owned by American Old Line Life of Chicago, which was reinsured by Ohio National. Ohio National contends that the assets which it received in payment for the reinsurance did not include the Roseland bank stock.

Much Interest in Proposed Emergency Tax

Insurance companies of all classes are much interested in the type of legislation that the Treasury department will propose for federal emergency tax upon insurance companies. Several bases are being discussed. One is a premium tax and another is a tax upon policy reserves. Still another suggestion is that there be a special policy fee to serve as a tax.

Although insurance people feel that such a tax is not logical they also believe that if the Treasury department wants it, it will be passed, especially since there was a 2 percent federal premium tax imposed in the last war that was removed in 1920. It is assumed that insofar as life insurance is concerned, the tax would be imposed only upon new issues as it was in the last war.

Barber Agency Is Feted

F. H. Haviland, vice-president of Connecticut General Life, presented a certificate for outstanding accomplishment during 1940 to the William H. Barber agency of Newark at a luncheon Tuesday. The agency showed an increase in paid premiums over 1939 of 18 percent.

Speakers were Mr. Haviland, George C. Capen, assistant superintendent of agencies, and Mr. Barber.

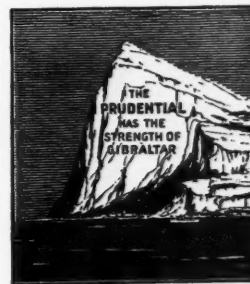


Prevent Such Vain Regrets

Circumstance has transformed this father into an uninsurable man in the twinkling of an eye.

He was healthy, strong and confident that "when the time comes" he could insure his life.

A persistent insurance agent might have made this a different story.



The Prudential
Insurance Company of America
Home Office, NEWARK, N. J.

EDITORIAL COMMENT

Guaranteeing Life Insurance Solvency

THE NEW YORK companies' proposal for creation of a guaranty fund to eliminate the possibility of loss for policyholders of failed domestic companies is not only reassuring for policyholders but is of the greatest significance in demonstrating that the life companies can take care of this troublesome problem themselves rather than letting it go by default into the laps of the state or federal government. The New York department's original plan called for a one-tenth of 1 percent premium tax aimed at building up a \$25,000,000 fund in about 20 years. The companies' plan eliminates this huge fund but makes anywhere up to \$25,000,000 available overnight if necessary. It has the department's blessing.

If such guaranty funds had been in existence generally there would have been none of the losses to policyholders, which though relatively small, have nevertheless been a source of criticism of the life insurance business. Such funds might have been insufficient to take care of all benefits promised under policies but at least they would have guaranteed that every rightful death claim would be paid.

One of the big talking points of the advocates of federal control of insurance is that there should be some sort of

guarantee for policyholders of impaired companies and that federal supervision is the only way to accomplish this. While they do not account for all of the insurance in force by any means, the companies domiciled in New York state constitute a very important fraction of it. Many other states have shown a disposition to follow the New York model in framing their insurance laws. If the guaranty fund idea is generally followed it would not only make life insurance more acceptable than ever to the public but would go far to remove the spectre of federal control and all that that implies.

There is no denying the fact that any guaranty fund, whether privately administered by the companies or run by the state or the federal government, constitutes a tax on good management for the benefit of poor management. Strict equity would frown on this but as Sir William Burke once said, "It is a condition and not a theory that confronts us." The trend of the times is in the direction of making an entire institution responsible for the acts of any of its member units. The institution of life insurance will be fortunate if it can have its solvency guaranteed from within rather than through a governmental agency.

Improvement Record Gratifying

ONE of the reflections made by critics that evidently impresses the public mind when life insurance is concerned is the lapse ratio and the concurrent waste. It is not only the indiscriminating who think something is wrong but those very intelligent question the record and see something wrong in life insurance management. Lapses formed a subject of critical reflection on part of the TNEC. Just the other day, during one of Northwestern University broadcasting forums two members of its faculty opined that high pressure salesmanship was the chief cause of lapses and both decried the practice.

In the TNEC figures all insurance no longer on the books was put in the general column of lapses beside death claims, matured endowments and the like, and hence they are misleading. However, using those that include only actual lapses, insurance abandoned, the showing is not what it should or might be.

There is a ray of hope, however, for in the report of Superintendent Pink recently released, the ratio has been reduced during the last few years. There

are a number of factors that promote lapses, the chief one is perhaps the economic or financial one. A family believes it cannot afford the policy recently bought. When there are good times insurance is more readily bought but it sluffs off during the hard years. A person may have purchased it under an emotional stress, being impressed with the salesman's logic. Like those converted in the old time revivals, he "got religion" but after a while the zeal waned and he became a backslider.

Insurance management, we believe, would welcome a careful survey of the lapse situation with the purpose of getting beneath the returns and ascertaining lapse causes. It might well be undertaken by the American Life Convention, Life Insurance Sales Research Bureau, Institute of Life Insurance or the two actuarial bodies.

If companies are partly at fault let us know it and the officials would welcome facts. This work should be done without company designation. If there is too much pressure used, if contests or drives increase lapses, if there is much rebating, the conditions should be recited

and where such are within control of companies, then their officials are false to their trust if they do not act.

What would lapsed policies say if they could speak? That would make an enlightening symposium.

PERSONAL SIDE OF THE BUSINESS

L. E. Zacher, president of the Travelers, was married to Miss Margaret I. Butler, West Hartford, Conn. Mrs. Zacher is a daughter of the late L. F. Butler, president of the Travelers. Mr. Zacher succeeded the bride's father in that office in 1929.

Isadore Samuels, New England Mutual Life, Denver, chairman Colorado council, U. S. Chamber of Commerce, spoke over radio station KOA Wednesday evening in the series, "Business and Congress."

Henry Royer, general agent Ohio National Life, Chicago, left by plane with his son for Miami. From there they motored to Key West, where they spent three days fishing and then went to Fort Lauderdale for several days. They will return by plane April 6. Mr. Royer is a brother of James M. Royer, general agent Penn Mutual Life, Chicago.

LeRoy W. Ginter, Chicago manager of Pan-American Life, was elected president of the board of deacons of the First Presbyterian church of Evanston, Ill. He was secretary last year.

H. C. Schuppel, who retired as general agent for Oregon Mutual Life at Boise in January, is now returning to that city after a 7,000-mile motor trip

in this country and a Caribbean cruise. His son, H. M. Schuppel, is now Boise general agent. A brother, W. C. Schuppel, is vice-president of Oregon Mutual. H. C. stopped in Wichita for the mid-year meeting of the N.A.L.U.

H. K. Lindsley, president of Farmers & Bankers Life, became a grandfather for the second time when a son, Robert Clark Lindsley was born in Oklahoma City, to Robert K. Lindsley and Mrs. Lindsley. Robert K. is a first lieutenant and R.O.T.C. instructor at the University of Missouri. Mrs. Lindsley had been staying with her parents in Oklahoma City since her husband has been in the army. Robert K. graduated from Missouri University in 1937; then he served in the army a year and until he was called recently was with Farmers & Bankers in the mortgage department.

Another brother, Herbert P. Lindsley, is educational director of Farmers & Bankers. He has a year old son, Herbert Benzing Lindsley.

Robert K. Lindsley got leave and took a plane for Oklahoma City. When he arrived at the Wichita airport, he was informed by reporters that he was a father.

Three Equitable Society managers this week were celebrating anniversaries of long service with the company. Walter L. Gottschall, director of agencies western division, was in Minneapolis Tuesday attending the anniversary celebration of Edward H. Keating, general agent, who has been with the company for 30 years. For many years he was associated with his father, who was general agent until he died some time ago. A. M. Embry, general manager at Kansas City, April 1 celebrated his 30th anniversary with the Equitable. Harry Chipman, manager at Columbus, O., observed his 25th anniversary.

J. W. Kinsinger, general counsel Midwest Life, has accepted a petition nomination for mayor of Lincoln. He formerly served on the city council. Three other insurance men are on the city council primary election ballot—H. L. Babcock, secretary Citizens Limited Life; H. L. Reed, former secretary Nebraska Life Underwriters Association, and J. D. Iverson, general agent.

David J. Luick, Minneapolis manager for Connecticut General Life, won a battered fedora as leader of the winning division in the 1941 civic fund campaign sponsored by the Minneapolis Civic Council. **O. J. Arnold**, president of Northwestern National Life, is president of the council, and spoke at the campaign's conclusion.

C. W. Klingman, San Antonio agency manager Equitable Society, announced the birth of a son, Louis William.

W. R. Baker of the Newark agency of Mutual Life of New York will celebrate his 52nd anniversary of service with the company April 23. He started as an office boy in the home office and entered the selling field in 1912. He has qualified several times for the Million Dollar Round Table and has been



ROBERT A. DUNCAN

Robert A. Duncan, general agent for the Mutual Benefit Life at Flint, Mich., for more than a year, died there. Mr. Duncan had been with the company since 1931. For a time he was associated with the William H. Brown agency at Columbus, O., and was supervisor there before going to Flint in the same capacity in 1939.

THE NATIONAL UNDERWRITER



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LIFE INSURANCE EDITION
PUBLISHED EVERY FRIDAY

April 4, 1941

a member of the Mutual Life National Field Club for many years. He is past president of Life Underwriters Association of Northern New Jersey and has spoken before many civic organizations and insurance associations.

William B. Ackerman, general agent John Hancock Mutual, Cincinnati, is ill in Holmes hospital there. He is not permitted to see visitors. During his absence, the agency is in charge of F. J. Lang, cashier.

Harold J. Cummings, vice-president Minnesota Mutual Life, who also is president of the National Federation of Sales Executives, will speak before the Pacific Coast Conference of Sales Executives in Los Angeles on "Salesmanship Marches On." He also is scheduled as one of the speakers at the final banquet of the conference.

DEATHS

J. Lawrence Day, 49, general agent of National Life at Portland, Me., since 1926, committed suicide following continued ill health. He was Maine state manager of Travelers for six years before going with National Life.

E. A. Hazleton, 55, district agent Travelers at Cedar Rapids, Ia., for 24 years, died at his home from heart trouble. He entered the insurance business after world war service.

Horace C. Lyon, 45, Beaumont, Tex., assistant superintendent Reliable Life, died from a heart attack. He had been

Liberty National's Chief Underwriter Dies



ZANER D. RILEY

Zaner D. Riley, manager of the ordinary issue department and chief underwriter of Liberty National Life, Birmingham, died of encephalitis following a brief illness from influenza.

He was a native of Alabama who attended Alabama Polytechnic Institute. Most of his business life was devoted to life insurance. He was secretary of Lincoln Reserve Life when it was reinsured by another company. Subsequently, he spent some time as a field representative of Acacia Mutual, and joined Liberty National in 1934, in the issue department. His advancement to manager of the ordinary issue department and to chief underwriter was rapid.

Mr. Riley was an active member of the Institute of Home Office Underwriters from the time of its organization, and at his death was its chairman of the committee on ordinary underwriting forms. He was scheduled to serve as co-chairman of the case clinic for the Institute's annual meeting in September. He was an associate of the L. O. M. A. Institute. Mr. Riley was a past master of his Masonic lodge in Birmingham.

with the Reliable five years, and prior to that was with Washington National.

W. W. Booth, 88, more than 50 years in life insurance, died in Denver. He was general agent of Equitable Society for many years, and although he had retired from active managerial duties he still retained the title of general agent emeritus. Only two days before his death he had attended a meeting of the General Agents & Managers Association. About a year ago, Mr. Booth was one of a group of five life men honored at a dinner for their many years in the business, their years of service totaling 290.

Mary C. Adams, 79, wife of Charles F. Adams, president of Oregon Mutual Life, died at her home in Portland from a stroke following a three-year illness.

CHICAGO

BLACKSTONE HOTEL SOLD

Metropolitan Life, which held a first mortgage of \$1,700,000 on the Blackstone Hotel in Chicago and foreclosed during the depression in 1932, sold the hostelry last week for \$1,200,000 to a syndicate headed by A. J. Kirkeby, who had leased the property for the last four years. In 1938 some \$300,000 was spent for remodeling and refurbishing. John C. and Tracy B. Drake arranged for the loan in 1927. The hotel was erected in 1910, costing \$3,000,000. The Drakes were sons of the late John B. Drake, who operated the Grand Pacific Hotel for many years.

REMODEL TRAVELERS' QUARTERS

Travelers has temporarily evacuated its Chicago office, 331 Insurance Exchange, while the quarters are being revamped. For the next several months, most of the departments will be located on the sixth floor of the building annex. At the completion of the remodeling, Travelers will occupy all of the third floor and half of the fourth floor of the building proper, switching those offices formerly on the third floor of the annex onto the fourth floor.

A feature of the new arrangement will be the elimination of public corridors, so that the elevators will open directly into the office. There will be no counters and the underwriters will transact their business at private desks. The solid walls dividing the private offices will be torn down and replaced with light partitions of wood and glass. The employment of ceiling deadening, indirect lighting, venetian blinds, and a number of other modern features will greatly change the appearance of the space that Travelers has occupied in the past 30 years.

LUSTGARTEN AGENCY'S BIG TOTAL

The campaign of the Samuel Lustgarten agency of Equitable Society in honor of W. J. Graham, vice-president, extending over two months, netted \$1,972,233 paid business volume, a gain of 28 percent over the same period last year. A profit sharing trust plan insuring four lives for \$140,000 and a group hospitalization case were in the total.

The Lustgarten agency has started a year's campaign which will wind up in a silver anniversary celebration next year on Manager Samuel Lustgarten's 25th anniversary with the Equitable.

NORTHERN TRUST MAN SPEAKS

The next luncheon meeting of the Chicago Life Insurance & Trust Council, which was originally scheduled for April 8, will now be held April 15. Irv-

OPPORTUNITY:

Live, progressive Catholic life insurance organization has good territory open in Wisconsin and Minnesota for men with proven production record, who are willing to work on a full-time basis. Only men with sales experience, good personality and approach need apply. All replies will be held strictly confidential. Address inquiries to Box M-64, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

The UNION CENTRAL BULLETIN BOARD



Dear Joe:
Am I glad I'm a U.C. agent!
New Orleans in the Spring is simply wonderful! This is one of the most enjoyable and interesting sales conventions we've ever had...and there have been plenty! I'll bet you a lunch I get more business this year as a result of the new sales slants I've been picking up.
Wish you were here.
Bob

THE UNION CENTRAL WILL
BE HOLDING ITS REGULAR
\$250,000 CLUB MEETING

April 21 to 23

NEW YORK LIFE

96th Annual Statement

THE management of a life insurance company has a primary responsibility to its policyholders to invest the funds of the company and to conduct its affairs so that the company will be able promptly to meet all its contractual obligations to policyholders and beneficiaries when they fall due. The discharge of that responsibility carries with it a great opportunity for service to the public at large.

Because of the complexities of the present economic situation growing out of the critical period through which the world is passing, this service to the public has now become of great importance in the economic and social structure of the country. Your management is acutely aware of its responsibility to its policyholders. So also, it recognizes that much public benefit will necessarily follow from its performance of that responsibility.

Nearly one-half of the people of the United States own life insurance. From the savings of these people, who live on the farms and in the villages and the cities, come the premium payments which account for most of the income received by life insurance companies. These funds eventually go back from those companies to the policyholders and beneficiaries as payments in accordance with the terms of their policy contracts. Before such payments are due, however, the funds become available for employment in the economic life of the people as a whole in the form of investments or loans. Such investments or loans are useful to those individuals, corporations and governments who need funds to build homes, to carry on business, or to meet budgetary and capital requirements.

The life insurance companies in turn consider the probable income from these investments and loans when they calculate their premiums. Earnings are an important factor in building up the funds out of which future obligations to policyholders and beneficiaries are met. They are also a substantial factor in reducing the total cost of insurance to the policyholder.

Safety is the First Consideration

In making investments or loans it is of paramount importance that the policyholders' interests be protected and that

safety be made the first consideration. That has been the policy of this Company since its organization. It will continue to be its policy.

The Public Interest is Served

But the Company is also very conscious of the public service that is rendered through the employment of its funds. In recent years, for various reasons, the individual who has accumulated savings during the course of the year has been more and more hesitant, or has experienced greater and greater difficulty, in making his own private investment of these savings. As a result the public has put larger amounts of savings into such institutions as life insurance companies. But these savings are not stagnant or idle. In large part they are turned back into the blood stream of the national economy through investments and loans which these institutions make in accordance with the laws of the various States.

In the past ten years, the investments and loans of all life insurance companies in the country have grown from approximately \$20,000,000,000 to \$30,000,000,000. The effect of this upon our national economy is great, for, as the volume of such investments and loans has increased, the public service performed by them has likewise increased. Even a brief examination of the loans and investments of the New York Life Insurance Company will, we believe, demonstrate that it has employed its funds both with a view to safety and in the public interest.

Loans and Investments at Work

Government Bonds.—This Company's investments in bonds aggregate \$1,827,000,000. Of this amount, approximately \$800,000,000 are United States Government bonds, either direct or fully guaranteed. During the past year the Company increased its holdings in this classification of investment by about \$100,000,000. United States Government bonds are generally regarded as the prime investment security of the world. Their safety is beyond question. More than that, the Government at the present time is making huge expenditures in the interests of national defense. From the point of view of the public interest as well as the safety of its policyholders, the Company's policy is

to continue, in the present circumstances, to invest in Government securities.

Other Bonds.—The Company's investments in State, county and municipal bonds, which are likewise regarded as prime investments and which amount to over \$250,000,000, play a great part in our national economy as well as our social advancement. They provide funds to help build schools, bridges and highways as well as other local institutions and improvements. The Company's holdings of railroad bonds aggregate approximately \$285,000,000 and help to finance the country's principal transportation system which is so essential to both the business of the country and its defense. Our public utility bonds aggregate over \$335,000,000 and, in making these investments, the Company has helped to provide the people with electric, gas, water, communication and other services.

Large and Small Loans.—Most of the corporations whose bonds are owned by the Company are relatively large because so many small borrowers do not or cannot issue bonds which are eligible or practically as investments for a life insurance company. This Company, however, makes many mortgage loans and policy loans. Most of the policy loans are for small amounts. Mortgage loans are made in both small and large amounts. An examination of the Mortgage Loan Portfolio, which includes loans on business, residential and farm properties, shows that at the end of 1940 the Company had on its books 31,741 first mortgage loans on real estate, which, less reserves amounted to about \$420,000,000. About 75 per cent of these mortgage loans, that is, 27,656, were for less than \$10,000 each and aggregated over \$117,000,000. About 25 per cent of the total number of such loans, that is, 18,928, were for less than \$5,000 each and aggregated over \$60,000,000. About \$70,000,000 of the Company's real estate loans were FHA-insured mortgage loans.

Stocks.—The Insurance Law of the State of New York does not permit life insurance companies to invest in common stocks. As a result they cannot legally provide equity of partnership capital, either for big business or for small business. However, they are permitted to invest in preferred and guaranteed

The New York Life Insurance Company has always been a mutual company

LIFE INSURANCE COMPANY

ment to its Policyholders

circumstances which measure up to certain legal requirements. This Company's holdings of such stocks, which provide additional funds for industry, amount to about \$90,000,000. All things considered, it is apparent that the assets of the New York Life Insurance Company are at work not merely to produce return but also to do their part in advancing both economic and social progress.

Payments to Policyholders and Beneficiaries

During the year 1940, the New York Life Insurance Company paid to policyholders and their beneficiaries a total of \$204,394,345. Of this sum \$135,015,066 was paid to living policyholders and \$69,379,279 to beneficiaries. During the past ten years, the Company's payments to policyholders and beneficiaries have exceeded \$2,180,000,000.

New Insurance

New insurance during the year 1940 amounted to \$425,970,300. There were 10,896 new policy contracts made during the year and the average size of new policies was \$2,020. Although the volume of new business was slightly less than the previous year, nevertheless there was a substantial reduction in the aggregate volume of terminations, particularly lapses and surrenders. On December 31, 1940 the Company had 2,925,775 insurance policies in force for a total of \$6,895,182,749, which represented an increase of 53,541 in the number of policies and \$64,347,953 in amount as compared with the end of the first month of the previous year.

Assets and Liabilities

The total value of all bonds, which were valued in accordance with the law, was substantially below the total market value as of December 31, 1940. The aggregate amount of the Company's real estate mortgage loans was written down by \$26,000,000 to the estimated value as of the end of the year. Furthermore, the total real estate owned by the Company was also marked down in 1940 and is carried at the estimated market value. Total admitted assets amount to \$2,869,735,205, an increase of \$107,456,722 over the previous year.

In the liabilities, by far the largest item, \$2,322,671,554, is the Insurance and Annuity

Reserve computed by the Superintendent of Insurance of the State of New York. This reserve is the amount which the Company must hold in good assets so that together with future premiums and interest, it may be able to meet future policy obligations as they become due based on assumptions as to future rates of claim, interest and expense. The sum of \$38,747,490 is set aside in the liabilities for dividends payable to policyholders in 1941. In addition to a Voluntary Investment Reserve of \$50,000,000, the Company had, at the end of the year, a surplus, reserved for general contingencies, amounting to \$127,073,603.

* * *

The present high standing of the Company, its conservative financial and actuarial

standards, and the character of the organization both in the Home Office and the Field should be a source of great satisfaction to every policyholder.

A more complete report as of December 31, 1940 containing additional statistical and other information of interest about the Company, as well as a list of the bonds and the guaranteed and preferred stocks owned by the Company, will be sent upon request to the New York Life Insurance Company, 51 Madison Avenue, New York, N. Y.

George D. Harrison
President

December 31, 1940

ASSETS		LIABILITIES AND SURPLUS FUNDS	
Cash on Hand or in Banks...	\$50,740,231.25	Insurance and Annuity Reserve computed by the Superintendent of Insurance of the State of New York.....	\$2,322,671,554.00
U. S. Government, direct or fully guaranteed Bonds....	798,701,310.42	For amounts not yet due on Supplementary Contracts...	166,767,005.40
State, County and Municipal Bonds.....	254,278,035.73	For Dividends left with the Company.....	125,768,411.20
Railroad Bonds.....	285,382,157.84	For Dividends payable during 1941.....	38,747,490.00
Public Utility Bonds.....	335,809,038.91	For policy benefits in process of settlement.....	9,096,703.04
Industrial and other Bonds...	67,680,280.67	For policy benefits incurred but not yet reported.....	1,875,000.00
Canadian Bonds.....	85,754,443.90	For premiums, interest and rents, prepaid.....	11,360,906.19
Stocks, Preferred and Guaranteed.....	89,621,300.99	Reserve for future expenses on Single Premium policies and Annuities.....	3,390,000.00
Real Estate.....	93,753,231.24	Reserve for fluctuations in foreign currencies*.....	4,000,000.00
Home Office.....	15,374,500.00	Reserve for miscellaneous Liabilities (including taxes, rentals and salaries).....	8,984,531.93
First Mortgages on Real Estate, less reserves.....	421,904,728.35	Total Liabilities.....	\$2,692,661,601.76
Policy Loans.....	309,207,080.82	Voluntary Investment Reserve.....	50,000,000.00
Interest Due and Accrued on Bonds, Mortgages and Policy Loans.....	27,181,644.68	Surplus, reserved for General Contingencies..	127,073,603.91
Rents, Due and Accrued....	1,752,642.71	Total.....	\$2,869,735,205.67
Uncollected and Deferred Premiums.....	32,155,465.50		
Other Assets.....	439,112.66		
Total.....	\$2,869,735,205.67		

Of the Securities listed in the above statement, Securities valued at \$43,652,898.21 are deposited with Government or State authorities as required by law.

*This reserve is held mainly against the difference between Canadian currency Assets and Liabilities which are carried at par.

It started business on April 12, 1845 and is incorporated under the laws of the State of New York.

ing B. Phillips, second vice-president Northern Trust Company, will speak on "Trust Investments—The Foundation Stone of the Trust Company."

NEW AGENT DOUBLE WINNER

E. W. Rosenheim, a new agent of the Stumes & Loeb general agency of Penn Mutual Life in Chicago, who signed a contract in February, 1940, was double winner in the President's Clubs for new organization in the 12 months ended Feb. 28. Mr. Rosenheim paid for \$296,280 in his first year on 53 lives, the largest volume for a new appointee since the club was started. A. E. Patterson, agency vice-president, announced to the field. The young agent thus was No. 1 countrywide in the clubs for new organization and also led in number of lives among new organization. His record was singled out by Vice-president Patterson for especial commendation.

PENSION TRUST LUNCHEON

The Chicago C. L. U. chapter will give attention to pension trusts at the luncheon meeting April 9. The speakers will be George H. Gruendel, Mutual Life, on "Why Employee Incentive Trusts Are Effective;" Harry R. Schultz, Mutual Life, on "My Experience in Writing a Small Pension Case," and K. Raymond Clark, attorney, on "Important Legal Aspects of Employee Trusts."

WOOD AGENCY 68.4% AHEAD

The Freeman J. Wood general agency of Lincoln National Life in Chicago for the first quarter this year has had 68.4 percent increase in paid life production. Last year the increase for the entire 12 months was 21 percent. The first three months this year brought the greatest production since the agency was organized nearly eight years ago.

NEW YORK

TO N. Y. FOR CHICAGO JOURNAL

Carl Pearson, who has been in the insurance department of the Chicago "Journal of Commerce" for the past year and a half, has been transferred to New York in charge of its insurance editorial office. He succeeds Edward Beckman, who has joined the J. Walter Thompson advertising agency. Mr. Pearson has been with the Chicago "Journal of Commerce" since 1933 in various capacities.

PINK VIEWS HOUSING PROJECTS

Insurance companies are vitally interested in plans for salvaging older areas in cities because of their investments there, Superintendent Pink of New York said before the mortgage conference there. The Metropolitan Life investment in "Parkchester" will provide an investment with moderate but safe return and also will be socially useful. He feels such a venture in the future should be in central areas where they will retard decay and bring back to life the older areas rather than draw people away from the city. While life companies should do their share in these housing enterprises, they must consider their primary obligations as to safety of funds of policyholders.

LAWYER BEFORE N. Y. AGENTS

John Kirkland Clark, president of the New York State Board of Law Examiners, will be the next speaker of the lawyers' series, sponsored by the New York City Life Underwriters Association. He will talk on "Claims Against Life Insurance Companies," Tuesday evening, April 15, in the Metropolitan Life auditorium. This is the fourth in a series of five lectures on cooperation with attorneys. Among the companies for which Mr. Clark has served as New York attorney are Connecticut Mutual, Connecticut General, National Life and Bankers of Iowa.

Capitol Life Makes Three New Agency Appointments

Capitol Life of Denver has made three general agency appointments; Leslie V. Gentry at Austin, Tex.; Walter G. Korlann at Portland, Ore.; and Hal P. Campbell at Oklahoma City.

Mr. Gentry is a veteran of several years' experience both as agent and agency manager for the California Western States Life.

Mr. Korlann, who has been in life insurance work since 1925, has had experience as soliciting agent, supervisor, and assistant manager. He has been a resident of Portland for many years and is well known in life insurance circles there.

Mr. Campbell was in the wholesale merchandise field for 15 years but two years ago entered life insurance. In his first year he paid for \$314,000, and in his second year, just completed, he paid for as much, in addition to considerable time spent in supervisory work.

New Southern Regional Director

H. G. Perry, long a leading producer in Alabama for the New York Life, who later organized an agency for the Penn Mutual in Miami under the direction of Hugh D. Hart, then Penn Mutual vice-

president, has been appointed southern regional director of the Illinois Bankers Life, of which Mr. Hart is now vice-president and director of agencies.

Agencies' Territory Increased

Morris and Sussex counties in New Jersey have been added to the Gillis agency of Provident Mutual at Newark. The New Brunswick agency, now in charge of Le Mar Watson as district agent, but which will be under the direct supervision of the Louis F. Paret agency at Camden and Philadelphia, has had Monmouth county added. Mr. Paret has started on his 50th year of service with the company and Mr. Gillis on his 20th year.

Norfleet Made Norfolk Manager

J. L. Norfleet has been named manager of the Norfolk, Va., ordinary agency of the Life of Virginia, with offices in the Citizens Bank building.

Accountants Honor Lincoln National

A recent meeting of the Fort Wayne chapter of the National Association of

Named at Saginaw, Mich., by General American

David H. Reese, who has just been appointed general agent at Saginaw, Mich., by General American Life of St. Louis, has an impressive record in life insurance work, having been with the Provident Mutual Life for the past 18 years.

He is well known in eastern Michigan and is prominent in organization activities in Saginaw.

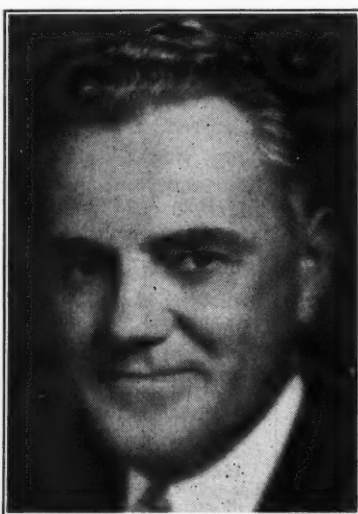
Mr. Reese has now assumed his new duties at Saginaw and has started development work.



D. H. Reese

Cost Accountants was dedicated to the Lincoln National Life. A. L. Dern, vice-president and director of agencies, headed a delegation of company officials attending, and discussed "The Makeup of Life Insurance Policies and Premiums."

Slack Takes Charge of Chicago Life Department



JAMES E. SLACK

James E. Slack of the life department of Moore, Case, Lyman & Hubbard, Chicago general insurance agency, has resigned and has been appointed manager of the life and accident department of Critchell, Miller, Whitney & Barbour there, general insurance agency which for 20 years has been general agent of Travelers. Mr. Slack will build production mainly through brokers but it is the intention slowly to organize a full time agency staff.

He has been in life insurance work for 11 years, having started with Travelers in Chicago after having been in sales work connected with Hart, Schaffner & Marx, traveling five northwestern states. He was connected with Travelers for 6½ years, being field assistant in the life group and accident department. Then for four years he was manager of the field building branch of Continental Assurance in Chicago. When that branch was closed Mr. Slack went with Moore, Case.

In his new post he succeeds Clyde Wright, broker connected with Critchell, Miller for more than 20 years, who has managed the life department temporarily since Otto E. Piggott, manager there for many years, died last year.

Our New ARROW of GOLD POLICY Provides —

- 1—Low cost protection at less than term rates.
- 2—Selection of any renewal period (not less than five).
- 3—Renewal privileges any number of times until age 60.
- 4—Final renewal to age 70 (selection period ends at age 60).
- 5—Conversion privileges any time until age 70.

A liberal, flexible, low cost contract. Extraordinary first year commissions and renewals.

Illinois Bankers Life Assurance Company

MONMOUTH, ILLINOIS

Exceptional General Agency contracts in the states of Illinois, Iowa, Indiana, Ohio, Missouri and Kansas

LIFE • ACCIDENT • HEALTH

LIFE SALES MEETINGS

Series of Regional Meetings by B.M.A.

To introduce and explain new policies and rates and to introduce new sales material to agents, Business Men's Assurance has held a series of sectional meetings. First of these was at Phoenix, Ariz., under direction of Manager W. B. Huie. Attending from the home office was W. T. Grant, president.

Second was at Dallas for Texas, Oklahoma and Arkansas agents. Host was A. W. Hogue of Texas, manager. He was assisted by Manager A. J. Johnson of Arkansas and Manager J. B. Johnson of Oklahoma. President Grant, H. C. Pogue, manager group department, D. B. Alport, assistant secretary, and J. W. Saylor, assistant to the vice-president, attended from the home office.

At Wichita a meeting was held in connection with the mid-year convention of the National Association of Life Underwriters. B. A. Hedges, manager of the Wichita branch office, was in charge, and M. V. Stenseth, manager of the Denver branch office, attended. Representing the home office were Vice-president J. C. Higdon and M. C. McKay, assistant secretary.

At Indianapolis, Manager Noel Iiams conducted the meeting and present from the home office was Jack R. Morris, director sales promotion.

Wisconsin salesmen met at Milwaukee and discussion was directed by G. A. Diehl, state manager, and G. J. Tritch, home office field supervisor.

The Salt Lake City meeting honored Manager W. M. Jones' twenty-fifth anniversary. The meeting and dinner closed a one-month campaign for Mr. Jones. Vice-president L. L. Graham presented Mr. Jones a 25-year service pin.

Colorado salesmen met at Denver, with Mr. Stenseth in charge. Ohio salesmen gathered at Columbus with Manager E. W. Welton and Mr. Tritch. Final meeting is being held in Kansas City April 4-5 for salesmen from Missouri, Iowa and Illinois. R. J. Costigan, manager of the Kansas City branch office, will be assisted by Managers C. E. Mitchell of Illinois and W. E. Maupin of Iowa.

Farmers & Bankers Agents at Annual Rally Go to School

A group of about 150 head office executives and field men comprised the annual agency convention group of Farmers & Bankers Life of Wichita the first three days of this week at Mineral Wells, Tex.

The first two days were devoted to intensive schooling at sessions conducted by B. N. Woodson and Robert Proctor of the Research Bureau.

One of the convention features that is always valued is the minute analysis of the annual statement that is given by President H. K. Lindsley. It is particularly helpful to the newer agents.

Mr. Lindsley presided at the banquet Tuesday. The main speaker was Stanley Foran, Dallas advertising man, who has given his inspirational speech on Americanism at some 700 occasions. Others from the head office were Vice-president Frank Jacobshagen, Herbert P. Lindsley, educational director; and Carl Young, statistician.

N. Y. Life Oregon Convention

The spring convention Oregon state agents of the New York Life was held in Portland with about 100 agents attending. The meeting was in direct charge of B. M. Downey, state manager. F. A. Wickett, vice-president in

charge of the western division, with headquarters in San Francisco, was the honor guest. J. C. Boyer of Seattle, assistant division manager, also attended.

Conclude Big Campaign in Denver

Agents of New York Life from the inter-mountain territory will attend a sales rally in Denver April 17. V. V. Van Leuven, manager, reports that a 10-weeks sales campaign, designed to add \$1,500,000 insurance in force, which concludes at that time, probably will go ahead of that figure, as the \$1,000,000 mark was passed more than two weeks ago. F. A. Wickett, vice-president with headquarters in San Francisco, and S. W. Sill, inspector of agencies, will be present. A banquet will honor the leaders in the campaign.

Northern Life Agents Gather

Agents of Northern Life in northern California attended a sales conference in Oakland at which D. B. Morgan, president, and H. O. Seale, Jr., California supervisor, were the principal speakers. F. D. Addis, manager Oakland office, presided.

Meeting of K. C. Sun Life Agency

KANSAS CITY — The first annual meeting of the J. Victor LeLaurin agency of Sun Life of Canada will be held April 5 at Excelsior Springs. Expansion of agency activity, heretofore confined to the metropolitan area, into western Missouri towns, was announced at the meeting. Among the cities in which such offices will be opened are Joplin, Springfield, Sedalia, Chillicothe and St. Joseph.

COAST

Siegmund Host to Coffin

The W. H. Siegmund, general agency Connecticut Mutual Life, Los Angeles, was host at a luncheon to V. B. Coffin, vice-president and superintendent of agencies. Lieutenant Siegmund, who is on duty with the navy at San Diego, secured leave of absence to preside at the luncheon. He called attention to the possibilities presented to life agents in the men who are being inducted in the service and are clamoring for insurance. He said the agency had just had its eighth plus month and ranks 48th in the company. Mr. Coffin said the company had a warm regard for the general insurance agents who also write life insurance, and said they would be given the best of service in handling their business.

Bland on Social Security

Frank W. Bland, Pacific Coast manager THE NATIONAL UNDERWRITER, addressed the San Francisco agency of the American National Life, industrial department, on "Social Security and its Relation to Life Insurance." H. D. Sickal is superintendent of the agency.

Fuller, Irwin in Portland

The Thomas Binder agency of the Equitable Life of Iowa in Portland, Ore., had as visitors Ray E. Fuller, superintendent of agencies, and P. C. Irwin, assistant actuary. A banquet was held for the visitors and members of the Portland agency. Leon Lefebvre, one of the leading agents, took the visitors on a deep-sea fishing trip over the Columbia river bar.

Spokane Agency Receives Cup

SPOKANE, WASH.—The Spokane agency of the Oregon Mutual Life, under Manager Ted Thompson, was awarded the president's cup for achiev-

ing the highest percentage of assigned quota of business of any of the company's agencies in 1940. This is the second time the Spokane branch has won this honor.

W. C. Shuppel, executive vice-presi-

dent presided at the meeting at which the award was made. R. R. Brown, vice-president and actuary, explained details in connection with the advantages of the American Men mortality table.

AGENCY MANAGEMENT

Stage Demonstration in Cleveland

At the next meeting of the Supervisors Group of the Cleveland Life Underwriters Association April 7, Reginald Wells, assisted by George Plante, will give a demonstration talk on "Trimming an Agency for Action and Retraining the Experienced Agent."

Thomson Heads Toronto Group

J. S. Thompson, North American Life, has been elected president of the Branch Managers Association of Toronto.

Hear Oregon Student Winners

The Life Managers Association of Portland, Ore., met April 2. The highlight of the meeting was the appearance of the three winners in a contest on sales talks from the University of Ore-

gon class on life insurance. A number of agents will be present as guests of their managers.

Cashiers Hear Tax Expert


At the March dinner meeting of the Baltimore Life Agency Cashiers Association with large attendance, J. A. Turner, tax authority of New York and Maryland, talked on tax regulations, followed by an open forum on tax questions.

Honor Houze, Buckley in Okla.

The General Agents & Managers Club of Oklahoma City, held a dinner in honor of W. M. Houze, president Chicago Association of Life Underwriters and general agent John Hancock, and L. M. Buckley, supervisor New England Mutual, Chicago, who were guests and gave addresses at a lunch-

LIFE • ACCIDENT • HEALTH • ANNUITIES • HOSPITALIZATION • GROUP • ALL-WAYS

THE
Best Things
COME IN PAIRS



Consider Life and Disability Insurance for example. There's a pair that can't be beat - and the last word in combined personal protection is the

All-Ways Income Plan

ISSUED EXCLUSIVELY BY

Business Men's Assurance Company

KANSAS CITY, MISSOURI

W. T. GRANT
President
J. C. HIGDON
Vice-Pres. in Charge of Sales

eon meeting of the Oklahoma Association of Life Underwriters the next day.

Financing Plan Favored

The Spokane (Wash.) General Agents Association at its most recent meeting discussed the problem of obtaining new agents. The discussion was led by Lee Gregory, manager Northwestern National Life.

It was the consensus that a method of financing new agents would have to be

evolved in order to interest new salesmen sufficiently to keep them in the business.

Holcombe Speaks in Milwaukee

Frank Du Bose, Old Line Life, was installed as president of the Milwaukee Life Managers & General Agents Association when the recently elected officers took over at the March meeting. J. M. Holcombe, Jr., manager Sales Research Bureau, was guest speaker.

ambition and vigor. For their part the younger men should not feel that the veterans are passe, that this is a life now only for younger men. If they have such a mental attitude they will miss the fine opportunity to profit from experience that has been gained painfully by the oldsters.

"I want to see the managers and general agents also approach their problems with a spirit of willingness to learn from young and old, from the industrial man and others in the business," Mr. Hughes said.

American Reserve Life has appointed Harris V. Osterberg, general agent in

southeastern Nebraska, with headquarters in Lincoln, and William G. Crevier, general agent at Spencer, Iowa. Mr. Crevier was with New York Life for many years. From 1933 to 1938 he was social security director of Union county, South Dakota.

Snyder Agency Honors Veterans

OMAHA—The Kenneth M. Snyder general agency of Northwestern Mutual Life celebrated Edwin Goul's 15th and Franklin Mann's 45th anniversary with the company. A number of Omaha and outside agents of the company attended the dinner.

Life Insurance Will Survive All Isms, Hughes Contends

Life insurance will endure, despite all threats to its continued existence which appear in these disordered times, E. W. Hughes, Chicago general agent Massachusetts Mutual Life, declared in a talk at a luncheon meeting of the General Agents & Managers Division, Chicago. Life insurance still is the best bet for 99 out of every 100 men in the country, he said.

Long after Hitler, Mussolini and Stalin are rotted in their graves, our children and grandchildren will be enjoying the benefits of democratic form of government in this country, includ-

ing the protection of life insurance, Mr. Hughes argued.

A good life insurance man is a soldier behind the front lines, a home guard, he said. American people make a great deal of money and they spend it carelessly as a rule. When they make more money, they spend more. Where there is so much waste, the life insurance agent's function of encouraging thrift and personal initiative in making provision for support of the family and for old age represents a most important function in the national defense program. The agents, by their daily sales canvasses, are inculcating ideas which will defeat the many isms that are being hurled at this country.

Need Positive Mental Attitude

He discussed the pluses and minuses of life insurance management today. The general agent or manager who thinks he has arrived in the business, that he does not have to do any more hard, constructive work, but can rest on the oars, is on the way out, Mr. Hughes said. If he feels it is futile to try to build up a greater business, his situation is largely one of minus signs.

However, if he has a positive mental attitude, if he says life insurance has served the country well; if faced with unusual conditions which are in a constant state of change, he is ready to meet these changed conditions, he is thinking along the right direction. If he realizes that every great depression of the last 100 years has left life insurance in a better position he is definitely on the plus side.

Decries Age-Consciousness

Mr. Hughes said it is dangerous to harbor age consciousness, either for the older men, younger men, managers or general agents. The older producers should look at the younger men and learn from them. They have industry.

Kansas Companies Give Agency Men Big Evening

The Kansas home companies were hosts at a cocktail party, dinner, entertainment and dance during the mid-year meeting of the National Association of Life Underwriters. It was a most enjoyable social evening.

President H. K. Lindsley of Farmers & Bankers Life presided at a brief period devoted to giving the big shots a hand. He presented President Harry T. Wright of N.A.L.U., Vice-president John A. Witherspoon, Secretary Grant Taggart, Treasurer Walter E. Barton, Isadore Samuels, trustee; President Holgar Johnson of the Institute of Life Insurance; J. M. Holcombe, Jr., B. N. Woodson and L. W. S. Chapman, Research Bureau; Lee Wandling, chairman local convention committee, and W. H. Nicholls, Jr., president Wichita Association of Life Underwriters.

Mr. Lindsley then turned over to James A. Allen, Topeka attorney and president of Victory Life, who had the various Kansas company executives take a bow. That group included W. M. Hobbs and Frank Seitz of American Home Life; Will S. Thompson, president Great American Life of Hutchinson; Lakin Meade, National Reserve Life; W. M. West, the new president of United Life of Salina; also Elliott Belden and V. L. Tickner of United Life; W. J. Bryden and Elmer Shurtleff of Victory Life, Frank Jacobshagen, vice-president of Farmers & Bankers.

Other host companies were Central Life of Fort Scott; Liberty Life, Topeka; Manhattan Mutual Life; Pioneer National and Pyramid.

L. W. S. Chapman made a big hit when he took over the piano of the dance band, and played the Research Bureau syncopated theme song, "Morale and Motivation."

Herbert P. Lindsley, educational director of Farmers & Bankers, performed with a fancy camera outfit and took some fetching pictures.

Following the dinner a splendid floor show was presented by Lynn Smith, Connecticut Mutual, chairman of the entertainment committee. The Verne Nyddeger band from Radio Station KFB1 of Farmers & Bankers Life, played during the dinner and for the dance.



IS THERE A FUTURE FOR LIFE INSURANCE? WILL IT ENDURE?

We have seen freedom of thought and speech prohibited; freedom of worship destroyed; liberty of action and personal freedom give way to concentration camps; governments crushed. We have heard threats that all democracies and institutions of freedom are ultimately to go. Will Life Insurance endure?

American Democracy is founded upon the recognition of the essential factors in human nature—the instinct of each for self-preservation, protection of loved ones, desire of possession and for the betterment and improvement of life. Our forefathers came to America for the preservation of these things. They were the founders of this nation. The principles they recognized in its establishment are the eternal principles of human nature. This form of society cannot be crushed.

Life Insurance forms the very heart and soul of the instincts of American people. It cannot perish from this earth.

PEOPLES LIFE INSURANCE CO.

FRANKFORT INDIANA
"The Friendly Company"

|||

THE MANUFACTURERS LIFE

WITHIN this Company, there is an ideal combination of the stability of age and the vigor of youth.

Fifty-three years of sound conservative precept and practice have built up a stable institution, strong financially and well seasoned in experience.

On this foundation is based today a truly modern, vigorous and progressive life insurance service.

INSURANCE IN FORCE, 604½ MILLION DOLLARS
(Including Deferred Annuities)

ASSETS, 190 MILLION DOLLARS

INSURANCE COMPANY
HEAD OFFICE
TORONTO, CANADA
Established 1887

Nairn Urges Selling Option to Soldiers

Says Regular Ordinary Form Without Extra War Premium Is Best

TORONTO—Life agents in Canada were urged by A. Gordon Nairn, field supervisor Life Underwriters Association of Canada, not to recommend to members of Canadian armed forces insurance at war clause premium rates. Instead, Mr. Nairn suggested, these men be sold on the idea of buying an "option" on life insurance now. This has been the tone of his addresses in recent weeks to local associations.

"If they are killed or die while on active service the government will pay their dependents a pension and they will receive their life insurance savings—i. e., premiums paid or the reserve, according to company practice," Mr. Nairn says. "If they return disabled they will also receive a pension from the government. But if they return disabled they will be, in most instances, uninsurable. Also if they die while in receipt of a pension, unless they are at least 80 percent disabled, or unless the cause of death can be definitely traced to their disability, the pension ceases with their death."

Provides Much Protection

"So sell these men on the idea of buying an option on life insurance now. Keep in mind also that they will be fully protected until they leave for overseas, and that if they die from natural causes while still in Canada the government pension does not operate."

"Select this business with great care, satisfy yourself there is reasonable probability the man will be able to secure employment on his return. Lapsation of soldiers' business after the war will react unfavorably on life underwriters and our business."

Mr. Nairn suggests that men in service be sold ordinary insurance at the usual rates which they would pay as civilians. He is opposed to selling them insurance at war clause rates. If they pay civilian rates and enlist (or are even enlisted when they secure it) and are killed by enemy action or die in a war zone, only the premiums plus interest are returned. However, if they come back safely, their insurance is still in force.

Future Condition Problematical

Hence, the enlisted man is "taking an option" on life insurance by buying it at the usual rate, because if he did not take this option, and returned disabled at the end of the war, he might not be able to get life insurance at all. Mr. Nairn says paying the high premiums under the war clause, for protection while in war zone, is unnecessary as in the event of death or disability the government provides protection through pensions.

A life policy, at ordinary civilian rates, taken out now insures protection under this policy if the insured returns alive and even if he returns disabled. Hence by taking out insurance now at ordinary rates, he makes sure that if and when he returns he will still have insurance protection which he might not be able to get in post war days.

Hear Connecticut General Bills

The senate and house insurance committees of Connecticut held a hearing on the bill to increase the authorized capital of Connecticut General Life from \$5,000,000 to \$10,000,000. This bill is contingent upon passage of bills to grant charters for affiliated fire and casualty companies. B. M. Anderson, attorney for Connecticut General, also appeared in behalf of a bill to raise the limits which Connecticut General may write by way of life reinsurance.

Stanley Martin to Dallas Post

Stanley E. Martin, it is reported, will soon become general agent at Dallas for State Mutual Life. He will be suc-



STANLEY E. MARTIN

ceeded as general agent at Columbus, O., by Stanley K. Coffman, who has been co-general agent.

Mr. Martin has for the past several years been a favorite life insurance speaker. He speaks with great animation and has a strong emotional appeal.

He was a star producer with John Hancock before becoming State Mutual general agent.

Production Clinics for Detroit

The three life insurance organizations in Detroit have arranged with H. H. Irwin to conduct "production clinics" on three successive Saturday mornings commencing April 12.

Roy E. Stringer, State Mutual, president Detroit C. L. U. chapter; Donald Machum, Manufacturers Life, president General Agents & Managers, and W. A. Post, Connecticut General, president Qualified Life Underwriters of Detroit, conferred this week with Mr. Irwin and assisted in reviewing the practical sales points he has accumulated from 21 years' experience as a teacher and life underwriter.

A committee, headed by L. L. Mackey, Home Life, is making all the arrangements. Mr. Irwin donated his services to the C. L. U. chapter, which in turn offered this series of clinics to the life insurance men and women of the city.

Bierbaum Agency Housewarming

The R. F. Bierbaum agency of Mutual Benefit Life opened its newly redecorated and enlarged offices at 16 Court street, Brooklyn, with an open house reception Saturday. President John R. Hardin, Vice-president E. E. Rhodes and H. G. Kenagy, superintendent of agencies, were present as were other general agents. General agents and managers of other companies in Brooklyn were well represented.

Diamond Life Bulletins increase sales. For details write 420 E. Fourth St., Cincinnati.



THE
POLICYHOLDERS' COMPANY

SINCE 1845

The Mutual Benefit
LIFE INSURANCE COMPANY

ORGANIZED 1845 • NEWARK, N. J.

WANTED

By Company
with more than
\$60,000,000

business already in
force in the state

Supervisors

for

CALIFORNIA

San Francisco Bay Area

Los Angeles

San Joaquin Valley

Applicants must be married — age 28 to 38 — willing to move to the territory assigned.

Successful record of personal production and ability to organize, recruit, train and do joint field work are essential.

Salary, full commissions and renewals, travel expense account are offered. Company has liberal pension program, active, progressive management.

Assignments will be made in going agencies with insurance in force averaging \$10 million per agency.

In first letter give complete record of experience, production last three years, age, family status, and salary expected. Write Box N-10, The NATIONAL UNDERWRITER, 175 W. Jackson Blvd., Chicago, Ill.

**OPPORTUNITY
For Men Who
Can Qualify**

NEWS OF LIFE ASSOCIATIONS

Wright, Schnell on Ill. Program

Alan E. McKeough, Chicago manager for Occidental Life of California, is slated to become president of the Illinois Association of Life Underwriters at the convention to be held in Chicago, April 18-19. He has served during the past year as first vice-president. He will succeed Francis P. Beiriger, general agent at Rockford for Connecticut Mutual Life.

At the opening morning session speakers will be Harry T. Wright, Equitable Society, president National Association of Life Underwriters, and Fred T. Schnell, general agent at Peoria for Penn Mutual Life. Greetings from the Chicago Association will be given by president William M. Houze, general agent John Hancock.

At the general agents and managers division meeting in the afternoon of the first day, three principal speakers will be Ralph W. Hoyer of Columbus, O., John Hancock Mutual; Frank McNally, Minneapolis, Massachusetts Mutual Life, and E. B. Thurman, Chicago, New England Mutual Life.

Mr. Houze will preside as toastmaster at the convention banquet. Entertainment will be furnished by Herman Behrens, president of Continental Assurance.

The entire day, April 19, is to be given over to the annual state sales congress, which will feature nine speakers. Tickets have been limited to 1,000 and these will be taken before the convention opens.

South Bend Agents Told Insurance Freedom Bulwark

Freedom has held its ground in those countries in which life insurance has had its widest spread and has perished in those countries where life insurance has had no foothold, S. P. Pettengill, South Bend attorney and former congressman, told the northern Indiana sales congress staged by the South Bend Life Underwriters Association.

Public relief in this country has been necessary to fill the gap caused by the depression, but without life insurance disbursements the gap would have been twice as wide, Mr. Pettengill said. In those countries where there were no life insurance payments, public relief had to carry the full load. The people had no aid from the institution of insurance which is the result of foresight and thrift and in relying entirely on the "bread and circuses" doled out lost their independence to their bankrupt governments.

A. R. Jaqua, associate editor Diamond Life Bulletins, called insurance purchased today a bargain, because the cost of insurance in the future is an unknown quantity. Homer L. Rogers, Equitable Society, Indianapolis, president Indiana Life Underwriters Association, declared that sales records are being established everywhere in the state and that increases in the amount of insurance in effect would be reflected in generally improved economic conditions in the country.

Milton F. Jones, educational department Travelers, Hartford, cited a number of case histories to illustrate his talk on "Life Insurance at Work." Announcement was made at the meeting of the life insurance school for beginning and advanced salesmen to be held in July at Purdue university, West Lafayette, Ind.

Qualification and Pensions Main Issues in Florida

Two leading questions before the Florida Life Underwriters Association at West Palm Beach this week are a proposed life agency qualification law and pensions for life insurance agents.

The qualification plan will be presented to the legislature which convenes April 8, and "is calculated to raise the standards of life underwriters," according to G. P. Cannon, Tampa, state president. The presentation will be by Leroy Johnson, Jacksonville, past president, chairman legislative committee. The pension resolution will be outlined by E. M. Willis, Lakeland, immediate past president and chairman resolutions committee. Commissioner Larson is scheduled to speak. The convention will close Friday.

Fort Wayne Tri-State Congress

FORT WAYNE, IND. — The Tri-State Sales Congress of the Fort Wayne Association of Life Underwriters attracted a large attendance from Michigan, Ohio and Indiana. Homer L. Rogers, Equitable Society, Indianapolis, president Indiana Association of Life Underwriters, was principal speaker at the luncheon. Other speakers were Commissioner Viehmann, John Cramer, deputy commissioner, and A. L. Dern, vice-president Lincoln National Life. V. J. Harrold, congress chairman, presided, and John Johnson, president of the Fort Wayne group, gave the address of welcome.

Speakers at the afternoon session were Earl M. Schwemm, Great-West Life, Chicago, on "What's Wrapped Up in a Life Insurance Policy?" and Frank See, New England Mutual, St. Louis, on "The Ten Commandments for Closing the Sale."

Entertain California Legislators

The California Association of Life Underwriters, with the assistance of the northern California associations, including Sacramento, Oakland, San Francisco, Fresno and others, was host to the members of the California legislature in Sacramento. There was no "shop talk" and the dinner was entirely a "get acquainted" affair. G. H. Page, Los Angeles general agent California-Western States Life, president of the state association, presided.

President G. H. Page and Roy Ray Roberts, trustee of the National association, have arranged a schedule of visits to local associations. Dates definitely fixed are: Pasadena, April 9; San Diego, April 11, and Fresno, April 19.

Special Meeting in K. C., Kan.

KANSAS CITY—For the first time in 40 years the Life Underwriters Association of Greater Kansas City held its monthly meeting in Kansas City, Kan. Attendance included bankers and the mayor as guests. Speaker was Chester O. Fischer, vice-president and director of agencies Massachusetts Mutual Life, who discussed "The Life Underwriter's Opportunity Now." Kansas City, Kan., agents arranging details were George L. Maltby, district agent Equitable of Iowa; George V. Metzger, general agent Northwestern Mutual Life; O. J. Odenkamp, manager Prudential, and J. J. Donlon, manager Metropolitan Life.

Montana Meets June 13-14

MISSOULA, MONT.—Plans for the Montana state convention, which is to be held here June 13-14, were discussed at a meeting of the local association here. Edmund Andrett was elected secretary-treasurer for the balance of the association year, which ends June 1.

Dayton, O.—Development of "human interest" in the sale of life insurance was stressed by W. T. Earls, Cincinnati general agent Connecticut Mutual Life. He urged telling the story of life insurance in language that people understand, declaring that the national defense program is stimulating a "personal defense consciousness."

San Francisco—Miss Dorothy Shear of Oakland told of her 14 years' experience in the field of insurance selling at the luncheon meeting of the women's committee, followed by an open forum.

A MIDDLE WEST GENERAL AGENCY OPPORTUNITY

In one of the major cities of the Middle West, in an old established agency, with a considerable volume of quality business in force, we have a general agency opportunity open for the right man—but he must be right.

If you are a seasoned life insurance man with a proven performance record, with demonstrated ability to manage men and money and with those qualities of leadership that go to make the effective agency builder, your application will be given the consideration it deserves. Your letter should set forth a complete statement of your qualifications and your performance record.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President



COUNTRY LIFE
INSURANCE COMPANY

*"Outstanding
in Every Respect"*

HOME OFFICE • CHICAGO, ILLINOIS

NEWS OF THE COMPANIES

Philadelphia Life Treats Agents' Pay

Highlight of the annual convention of the Philadelphia Life in Coral Gables, Fla., was a discussion of an agents' retirement plan and its relationship to a possible revised schedule of agents' compensation. The report of a committee appointed by Clifton Maloney, president, three months ago, to make a study of that situation was given by D. E. Edmondson, Danville, Pa., general agent and a company director. The committee's report was a preliminary survey for the convention which was to be carried forward if it had the approval of representative agents at the meeting.

Presiding at the convention session was William Elliott, Philadelphia, the 1941 club president. Vice-president Jackson Maloney read greetings from President Maloney and a telegram of regrets that he was not present was sent to the president.

Secretary T. C. Knapp reported on the financial progress of the company since the last convention and his report was received with much enthusiasm. Club Vice-president R. H. Beard, Chicago, told of the progress of his agency in recent months and of the prospects for the future. A boisterous round of applause greeted the introduction of Phil. Campbell, the application-a-week leader who has a perfect record of over 12 consecutive years' production since he joined the company.

A report of great interest was that made by Director of Agencies E. R. Hurst on the conservation work that has been in operation under Assistant Secretary George Townsend. Mr. Hurst complimented both Mr. Townsend and the agents who had co-operated with him in the improvement in the lapse rate during the past year and asked for even greater co-operation in the future.

The convention was outstanding in many respects. A greater number of new agents attended than for many years. The company spirit was very wholesome and in keeping with the family feeling in which this company has always taken pride.

Special recognition was given the five master producers: William Elliott, Philadelphia; P. C. Campbell, Danville, Pa.; R. H. Beard, Chicago; Edwin Schweriner, Philadelphia, and P. D. Sidley, Pottstown, Pa.

Approximately 80 agents, wives and home office officials were present.

Examination of Continental Reveals Strong Position

An examination of Continental Assurance as of December 31, 1940, has been completed by departments of Illinois, Oklahoma, Iowa, Missouri and Oregon.

Examiners issued a very favorable report on Continental. Examination revealed a sound financial condition. The company's cash position "is well maintained." Real estate holdings and distressed mortgage investments have been materially reduced since the last examination four years ago, and substantial increases have been effected in more liquid types of securities.

Insurance operations of the company have been profitable. In a four-year period insurance in force has increased from \$207,831,020 to \$274,144,684, with unassigned surplus growing from \$2,432,616 to \$2,860,583. Capital and surplus is \$3,860,583.

Gross premium income during 1940 on first year business was \$910,752, with \$5,469,780 on renewals. Accident premiums were \$191,422, with \$99,405 on non-can accident and health. Income for the casualty and life departments, less return premiums and reinsurance, was \$8,555,339. The casualty department paid out \$201,399; life, \$5,272,094.

Union Central Meeting at New Orleans April 18-23

About 500 top producers, managers, and home office representatives and their wives will meet in New Orleans for the agency convention of the Union Central Life. The \$500,000 club will meet April 18-20 and the \$250,000 Club April 21-23. Discussion topics will be built around the theme of "The Life Insurance Business—the Business with a Great Future." Speakers include W. H. Cox, president; Jerome Clark, vice-president; W. F. Hanselman, superintendent of agencies; Harry Shaffer, K. D. Hamer, and H. P. Winter, assistant superintendents of agencies; J. T. Maxwell, editor "Agency Bulletin," and Superintendent Lloyd of Ohio.

Northwestern Natl. Adds Honors

Northwestern National Life has revised its agency clubs and contests. Old ones have been retained except one, and several new ones introduced. They now relate the agent's achievements more closely to actual earnings.

Among the new clubs are four leadership clubs for leaders of the agency organization in volume, new premiums, persistency, and net gain. There are also qualified underwriter and a C.L.U. club.

The clubs and contests will enable field men who do a good, all-around job of underwriting to qualify for more honors and awards than has been possible before.

Atlantic OK's Defense Financing

Directors of the Atlantic Life have pledged full support of the Treasury Department's program to sell defense securities to the people of America and have also authorized the investment committee to purchase these securities for its portfolio.

The Atlantic also has indicated to the Treasury department that it will help in promoting the sale of these securities to its own personnel by the payroll deduction plan.

Launch New R. I. Company

PROVIDENCE, R. I.—A bill has been introduced in the Rhode Island legislature for a charter for the Shawmon Mutual Life. Incorporators are W. A. Shawcross and Leo M. Cooney of Providence and Monroe Block of New York. Mr. Shawcross was formerly chairman of the state Democratic committee.

French Made Agency Director

Thomas M. French, well known in life insurance circles in Texas, has been appointed agency director of Century-Educators Life of Fort Worth.

Shannon with General American

E. B. Shannon, formerly city property manager for Massachusetts Mutual at Tulsa, has joined General American Life in its investment division.

Protective Life Appointments

M. M. Schwartz has been appointed general agent of the Protective Life at High Point, N. C. He has been in the business since 1933. He is a native of Baltimore.

James R. Phillips has been appointed general agent at Houston, Tex. He has been in life insurance since 1923 and has been a resident of Houston since 1930. He formerly resided in Louisiana and Oregon.

The name of the Acme Hospital & Life, St. Paul, has been changed to St. Paul Hospital & Life. M. H. Imm is president; R. M. Gesell, vice-president, and G. A. Imm, secretary.

B. R. Funsten, president W. N. Moore Dry Goods Co., San Francisco, has been elected a director of Pacific Mutual Life.



TO THE KEEPER OF THE BUDGET

To the keeper of the budget, "joy" is an income of a dollar and an outgo of ninety cents, while "gloom" is an income of a dollar and an outgo of a dollar and ten cents. The saving of a surplus, however small, is the first step toward economic success. Saving through life insurance in a company such as the Massachusetts Mutual is simply buying a greater future good by a smaller present sacrifice.

Massachusetts Mutual

LIFE INSURANCE COMPANY

Springfield, Massachusetts

Bertrand J. Perry, President

Highlights of 1940

Admitted Assets increased over \$1,300,000, bringing the total admitted assets to more than \$32,600,000.

Payments to policyowners totaled more than \$3,000,000, of which 50.76% went to living policyowners. Since the organization of the Company in 1900, more than \$56,000,000 have been paid to policyowners and beneficiaries.

The average size policy sold by Atlantic Life representatives in 1940 was \$2,609. This is the third successive year the average size policy sold has shown an increase.

Insurance in force \$136,361,591.

A complete copy of our 1940 annual statement will be mailed upon request.

If you are interested in building your own agency and can qualify, and live in North Carolina, South Carolina, Tennessee, West Virginia, or Maryland, write to Robt. V. Hatcher, Vice President.

Atlantic Life Insurance Company
RICHMOND, VIRGINIA

TNEC Eschews Federal Control

(CONTINUED FROM PAGE 1)

which were adopted, the report explained, Commissioner Pike "personally recommends a liberalization of investment laws to permit life insurance companies to invest a relatively small percentage of their funds in common stocks which would stimulate healthier financial structures and have a wholesome effect on the economy."

The commissioner's recommendations included the designation of a federal agency to obtain adequate information concerning the operations of life companies, policyholders and state and federal officials; the empowering of a federal agency to prohibit companies from paying surrender values of the policy benefits during a limited period, and to exceed 90 days, or to place restrictions on such payments, in times of serious economic stress resulting in dislocations of the entire banking and financial structure; the federal control of interstate life insurance, and the creation of an insurance advisory council to advise Congress and the state authorities, with representation thereon of policyholders, company officials and state and federal officials.

The TNEC report reflected the extensive investigation made of industrial insurance, and called for "fundamental changes" in the handling of that class of policies, warning that otherwise its eventual elimination may be necessary.

Plugging the Gaps

Unless the companies themselves and the state authorities take the responsibility of bringing about necessary reforms, it was declared, all-inclusive federal control will be required.

The report made it clear that the committee as a whole is not receptive to suggestions for federal control.

"Without interjecting the federal government into the general field of insurance regulation, it is possible to utilize federal powers in a direction which will strengthen state regulation and make it more effective," Congress was told. "There are admittedly areas where state regulation is severely handicapped by reason of the interstate character of the life insurance business. If forthright steps are not taken now to plug the gaps where state regulation can not do an effective job and to prevent relaxations of regulatory standards in several states such as have occurred in the past to the disadvantage of numerous policyholders, state regulation may eventually decay and all-inclusive federal control will be required."

Recommendations include:

Insurance commissioners should be appointed by a responsible executive (in all cases subject, of course, to confirmation by the proper state body) and their selection should only be made with regard for the appointee's experience and qualifications.

The tenure of office of the insurance commissioner should be increased substantially and insofar as possible competent commissioners should be continued in office regardless of their political affiliation.

The salaries of insurance commissioners should if possible be substantially increased.

Insurance commissioners should not be obliged to undertake any duties other than the regulation and supervision of insurance companies.

There should be substantial increases in the budget for insurance departments of most states.

The personnel of most insurance departments should be increased. The work of an insurance department should be undertaken only by full-time qualified employees whose pay is sufficient to make them conscious of their responsibilities and free from insurance company or political influence. The em-

Head Table Group at N. Y. Banquet



AT NEW YORK CITY LIFE UNDERWRITERS ASSOCIATION ANNUAL BANQUET!

President G. L. Harrison of New York Life; Raymond Moley, contributing editor "Newsweek" magazine, guest speaker; Lloyd Patterson, general agent Massachusetts Mutual, president New York City Life Underwriters Association; Harry E. Morrow, former association president, and chairman of its past presidents' group, to whom Mr. Patterson paid particular tribute.

ployment of special outside examiners should be discontinued. The development of a civil service in state departments is highly desirable. Companies should no longer be required to pay the salaries of examiners. If they must be charged for examination the necessary amount should either be collected by a lump-sum charge set in advance and paid by the company directly to the state treasury or preferably be collected through an appropriate state tax.

State insurance supervisory officials should strengthen examination procedures particularly in respect to companies domiciled within their state. The desired improvement would include more frequent examinations in some states, more competent examiners, greater publicity to and full release of all examination reports, and the undertaking of examination which would give greater attention to the insurance operations as contrasted with the purely financial aspects of the business.

Stiffen License Laws

Closer regulation and supervision of agency practices is required. Present laws for licensing agents are all too frequently administered purely as revenue measures. Agents should be required to show more adequate training, better prospects for financial success, and greater knowledge of the life insurance business. Furthermore, state supervisory officials should give more attention to such matters as company training courses, sales contests, compensation arrangements, etc.

The number of policy forms should be reduced, and greater attention given to establishing standardized policy forms or policy provisions acceptable in all states. The present confusion in this field is most undesirable.

State supervisory officials should more closely scrutinize activities of officers and directors and generally make more thorough checks on the competence and activities of company managements.

The life insurance business should be conducted on a competitive basis, with emphasis on management efficiency rather than sales promotion. No inter-company agreements should be permitted the effect of which is to prevent any company from developing actuarially sound service and sales techniques.

Change in Industrial

A fundamental change in the conduct of industrial insurance should occur. Otherwise, its eventual elimination may be necessary. The primary responsibility for the change lies with the companies issuing such insurance and the states which supervise them.

A federal statute is recommended preventing life insurance companies from using the mails, the radio, or other means or instrumentalities of interstate commerce to sell insurance in a state where they have not been lawfully admitted to do business.

The national bankruptcy act should be amended to permit any state insurance commissioner to apply to the appropriate United States district court to bring about the liquidation or reorganization of a life insurance company. If

a company should be adjudicated bankrupt, the designated federal agency or its nominee should be appointed to act as conservator and adviser during the readjustment of the company's affairs.

Define Officers' Conduct

Officers and directors of insurance companies operating in more than one state should be prohibited by federal statute from using their positions for improper personal gain either directly or indirectly. The statute should also declare life insurance officials not only in fact but in the eyes of the law trustees required to adhere to the strictest fiduciary standards, and appropriate civil and criminal penalties should be provided.

It is recommended that an appropriate committee of Congress or some designated agency of the federal government be directed to conduct a thorough investigation of all forms of fire and casualty insurance.

New York Life Study of Needs for Life Insurance

NEW YORK—Vice-president Griffin M. Lovelace of the New York Life has made a comprehensive presentation of "Why People Buy Life Insurance" in an article in the April Nylc Review. The article is a survey of needs, reasons, and ideas on life insurance buying which will be contained in the forthcoming edition of the company's educational course for new agents.

Mr. Lovelace's article, which is copyrighted deals in detail and logically with every purpose for which life insurance is purchased. The presentation is well illustrated and makes an attractive and useful layout.

K. C. Life-Trust Council Meeting

KANSAS CITY — The Life Insurance & Trust Council of Kansas City will hold its annual dinner meeting and election of officers May 5.

Something New IN LIFE INSURANCE

A Pure Protection . . . ordinary or whole life policy without cash values

Our limited pay policies permit the withdrawal of cash values

Without cancelling policy

Without note, interest or reducing policy

Many other new features that appeal to thinking people

Commissions that will interest any salesman. Previous experience not essential

Interstate Reserve
Life Insurance Company
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Public Relations Is L. A. A. Subject

(CONTINUED FROM PAGE 3)

bilities in public relations of associations maintaining speakers' bureaus as clearing houses.

On Friday, Russell Reynolds presided over a series of panel discussions on four subjects. George Pease, Equitable of Iowa, led the panel on direct mail, asking how and why different companies operate direct mail departments in such varied directions.

A. W. Theiss, Ohio National, presented its plan of sending out to old policyholders a series of letters supplying life insurance information, a sort of variation of the policyholders' magazine idea. One enclosure was the Holgar Johnson column of the Institute of Life Insurance. The plan was hitched to a follow-up system.

Fred Fisher, Lincoln National, argued the advantages of a definite campaign of pre-approach letters as part and parcel of any sales campaign, perhaps not quite so much for the benefit of the recipient as it is to help motivate the agent to organize his sale.

Concentration in Prospecting

Miss Stutsman contributed a shrewd sales idea of systematically contacting one profession or trade each month, thus concentrating prospecting thought.

O. R. Tripp, Ministers Life & Casualty Union, a company which, like Carleton Loeb's Presbyterian Ministers Fund, works exclusively among clergymen, told of its sales system of operating without salesmen and hence entirely through direct mail, spoke of the importance of timing, avoiding such busy seasons as Easter, but going extra strongly at age change time.

Eula M. Enochs, American United, led the panel on "Personalizing Premium Notices, Receipts and Enclosures," with a well documented presentation of card displays of selections from various companies. Miss Enochs said premium notices should be humanized so that they do not ask for money alone but bring home the idea that the company has the interest of the policyholder at heart. Humanized notices build good will, sell more business and keep the business on the books.

Carroll Frey, Penn Mutual Life, pointed out that a simple card with the heading, "If you want to retire at ages 55-60-65 you could save (indicated amount) dollars a week," pulled better response than more elaborate decorative material.

The policyholder has become a human being, Jack R. Morris, Business Men's Assurance, pointed out in discussing premium notices. The theme of all insurance advertising promotional material has become: "Let's be human." This trend has reached out and touched the premium notice.

Fictitious Character Used

As part of the panel, Martin Mullins, General American Life, attracted special attention by explaining its ingenious and original series of premium notices enclosures for delinquent payments. These enclosures are featured by the use of a fictitious character, a genial old gentleman, used to personalize the collection office. This "Mr. Figgerhound" is

Steel Policy Box

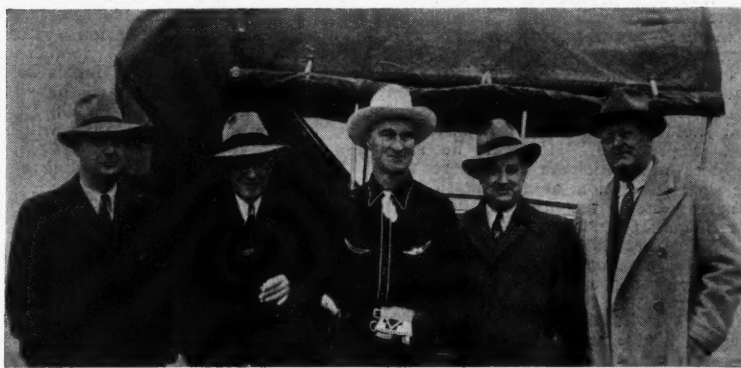
Permanent Policy Container

Heavy Steel. Size 11 1/2 x 5 1/2 x 3 1/2. Finished in Black Enamel. Advertisement in gold on top of box. Each in carton, with two keys. Lots of 25-50 or 100 \$2c ea. A silent salesman that will last a lifetime.

PATENT NOVELTY CO.
Fulton, Illinois



Primitive Taxi Service in Okla. City



Group at Oklahoma City about to embark in a cattle trailer for a trip around the city prior to big life underwriters association meeting. From left to right are shown J. Hawley Wilson, Oklahoma City general agent for Massachusetts Mutual Life; W. M. Houze, Chicago general agent John Hancock Mutual,

one of the speakers; Howard Greene, the cowhand; L. Mortimer Buckley, New England Mutual, Chicago, another speaker, and Tom Reed, million dollar producer for Great Southern Life at Oklahoma City, a candidate for trustee of the National Association of Life Underwriters.

given humorous and good-natured treatment as the mouthpiece of the collection effort, and has produced remarkably good results. In fact, the company receives much mail addressed to "Mr. Figgerhound," who has been accepted as somebody more actual than mythical. A dividend of results has been the starting up of a very good public relations job.

F. J. O'Brien, Franklin Life, told of his company's experience in basing printed material copy on a background of the company's historical information.

Publications for Agents

E. S. Wescott, Bankers Life of Nebraska, led a lively panel on the subject of publications for agents, going into a general debate on the value of personal notes and how to keep them flowing. J. J. Prather, Guarantee Mutual Life; Don Wellenkamp, Washington National; Albert W. Tompkins, State Farm Life, and C. R. Noyes, Phoenix Mutual Life, were among those contributing suggestions.

Among the others who joined in the discussions were Miss Nan Loughran, Old Line Life; John H. McCarroll, Bankers Life of Iowa; Alan M. Kennedy, Northwestern National, and J. H. Fisher, Country Life. Ward Phelps represented the Sales Research Bureau. Carroll Frey, Penn Mutual Life, had charge of publicity for the association

and did unusually efficient work in preparing press releases and taking pictures.

R. S. Walstrom, Continental Assurance, completed a full program with a panel discussion on methods of merchandising sales promotion material to insure its proper use.

A conclusion that was presented and debated was that to promote successfully the use of sales material it should be presented to the field organization by the most naturally vigorous sponsor, who would be the man who creates it. Supervisors with less personal enthusiasm for it would perhaps undervalue its importance, while the originator would naturally go the whole way in getting full value for it.

The eastern companies were well represented, with a delegation headed by C. Sumner Davis, Provident Mutual Life, president Life Advertisers Association. Mr. Davis is also planning to attend the southern round table session in Dallas, May 15-16. Other easterners present were Carroll Frey, Penn Mutual Life; C. Russell Noyes, Phoenix Mutual; D. Bobb Slattery, National Life of Vermont. Special recognition was paid Maurice Gilbert, Crown Life, representing the Canadian companies. The south had its representation with Martha Cotton, Commonwealth Life, and J. M. Ehle, Imperial Life of North Carolina, on hand.

Insurance Society Drive Nears Close

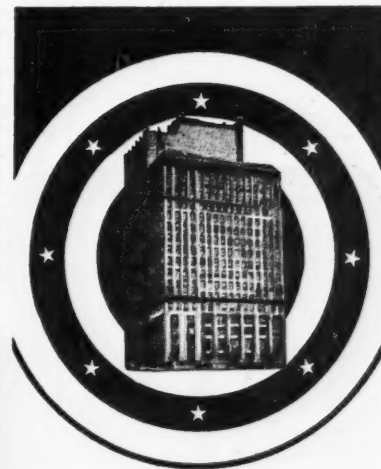
NEW YORK—The Insurance Society of New York is now on the final lap of its membership drive and is putting forth every effort to reach its goal of 2,000 by the end of the fiscal year, April 30. The membership committee, headed by D. C. Beebe, president United States Aviation Underwriters, has gone at its job in a very efficient and well organized way. Between Oct. 29, 1940 and Feb. 27, 1941 there was a net gain in the membership of 248. Total membership now stands at something over 1,700.

The membership drive has been effective not only in the New York City area, where the society's outstanding educational work is well known but in other sections of the country as well. The society's roster includes prominent insurance men in all parts of the United States.

The society, which in February marked its 40th anniversary, is not only the principal educational organization in the insurance field in giving courses in nearly every phase of insurance but maintains the most complete insurance library in the country. Its services are available not only to thousands of persons a year locally but it handles many inquiries from outside the New York area. Much of the information available there can be handled from no other one source.

The society now has 1,060 members in offices having five or more members each. This "five or more" list has increased substantially in the last few months.

The society's initiation fee is \$1. Annual dues for the various classes of membership are, resident \$5, sustaining \$10, contributing \$25, non-resident, \$2. There is also a life membership (\$100) and a founder membership (\$1,000) in lieu of annual dues.



General Agency
OPPORTUNITIES
for good personal
producers

Strong Progressive

Are You Willing to WORK for a Company Which Is Willing to WORK with You?



NORTH AMERICAN LIFE INSURANCE COMPANY
OF CHICAGO.

E. S. ASHBROOK
President

JOHN H. McNAMARA
Founder

PAUL McNAMARA
Vice-President

NORTH AMERICAN BUILDING, CHICAGO, ILLINOIS

Central Life
INSURANCE COMPANY
of Illinois
ALFRED MacARTHUR, PRESIDENT
211 WEST WACKER DRIVE, CHICAGO

Compensation, Social Security Up

(CONTINUED FROM PAGE 1)

attended by more than 600. It turned out to be a bright day and hence a large number motored to Wichita early that morning. A novel and effective stunt was employed in introducing the speakers. There was flashed on a large screen at first a formal picture of the speaker which the audience was told was the one that the speaker had furnished. Then there were shown some candid camera shots of the speaker while eating breakfast, shaving and going through other less flattering routines. These had been taken after the speakers had arrived in Wichita.

President Wright in his forceful message implored the committeemen to read carefully the prepared reports of the various committees. "They constitute a very specific answer to any critics who may carelessly charge that the interests of the field forces are being neglected," he declared. These reports, according to Mr. Wright, indicate that progress has been made in various directions.

He remarked that since September he has traveled some 24,000 miles and talked to about 50 groups. Although he has done somewhat less traveling than some of his predecessors, he said that the groups that he has addressed have been exceptionally large.

Mr. Wright mentioned the TNEC-SEC situation and said that the press of the country on the whole was fair and favorable in its reports despite the fact that a few papers emphasized the so-called "unfavorable" factors.

Need Correct Information

The average American, he said, need never fear attack from the outside if policyholders are correctly informed. He said that most lawmakers are sen-

THE KING OF ALL WALLETS

Made of a new material—possessing all of Genuine Leather's Finest Qualities—Attractive—Practical—Low in Price. Choice of TAN PIGSKIN or BLACK LEVANT GRAIN

ZIPPER VISUAL WALLET



No. 273. Zipper Case—contains 5 transparent jackets and programming card. Each jacket has capacity for two policies. Extra jackets—10¢ each.

Each \$1.65
6 \$1.60 each
12 \$1.50 each

STRAP WALLET



No. 433. Contains 8 assorted manila envelopes and premium calendar. Tan pigskin or black levant grain.

Each65¢
12 \$0.55 each
2553 each
5050 each

All Wallets Individually Boxed
MODERN SALES AIDS, 109 W. Madison St., Chicago, Ill.

sible and sound; they are working for their constituents and by and large will do what their constituents ask them to do; that if policyholders are correctly informed they will object strenuously if there is any threat to their life insurance.

The association, Mr. Wright declared, is prepared to go into action effectively in defense of the rights of policyholders if harmful legislative action is proposed. However, he said, he does not anticipate that there will be such legislation at this session of congress due to the preoccupation with the defense program.

He commended the field force of the country for cooperating in observing the spirit of the soldiers and sailors relief act.

Mr. Wright observed that having been a field man for 30 years, he is sincerely interested in the field man's situation and has an intelligent understanding of his problem.

Refers to "Super Critics"

"Every so often," he declared, "certain people may be super-critical and charge the association with being lax in their responsibilities to the agency forces. Sometimes they are sincere, but misinformed. Sometimes they enjoy making the headlines, but you may be sure that your association has no difficulty in defending the steady progress that we have made for the betterment of the agent. The record of actual accomplishments, especially during recent years, is eloquent testimony of that fact."

The association, he said, welcomes constructive criticism. Not many of the "super critics" attend such a meeting as the one in Wichita, he declared. "Most of you fellows pay your own expenses and you are not here to criticize, but to constructively help this great business of ours."

Some time ago, he declared, the N.A.L.U. was charged with being a general agents' association. As a matter of fact, he said, most general agents urge more personal producers to take an active interest in the association. This involves spending a certain amount of time and effort. It is not the fault of the general agents that more personal producers are not willing to become officers or trustees. He pointed out that he is a personal producer as is the national secretary. The chairmen or vice-chairmen of seven important standing committees are personal producers and there are 98 field men on the national committee.

Pension Plans on Tapis

"In a rather recent blast," Mr. Wright asserted, "the company heads were accused of not being too much in sympathy with the extension of social benefits. The number of pension plans already announced and those that will be announced in the future by company heads will, I believe, prove how unfair this charge was."

Most of the life insurance company executives, Mr. Wright said, are sympathetic to the problems of the field man. Such executives, however, will not be "bull-dozed." They will discuss questions in a friendly constructive way and that is the way to gain a point for the agents, he said.

Mr. Wright recalled that at the Life Presidents meeting last December, he recommended that the companies take into their counsel more than they do the representative field men and Mr. Wright said that the companies have been doing so to a greater extent. He recommended that the companies cancel the contracts of unproductive, unfit and part time agents. The association is working with the companies in a friendly way on this matter and he predicted that real progress will be made before the end of the year.

Mr. Wright at that time recalled that he implored the companies to support the agency practices agreement to a fuller extent. The association is, he said, somewhat disappointed as to the progress that has been made in this

connection but he expressed the hope that definite progress can be reported at the September convention.

The association has a right to be proud of the progress made in connection with the agency pension system, Mr. Wright said. A large number of pension plans for the field forces have already been announced and he predicted that almost every week from now on one or more companies will be announcing such plans.

Mr. Wright said that providing certain objections could be overcome he is in favor of bringing agents under the old age benefit section of the social security act. As to readjustment of compensation of agents Mr. Wright

recalled that the Linton committee proceeded first on the premise that the cost of life insurance should not be increased to the policyholders and that secondly, it is possible without increasing the cost to make effective readjustments of commissions which would pay the career man more and the inferior agent less. The N.A.L.U. has endorsed the recommendations of the Linton committee in principle. The work of that committee is an example of the sincere desire of the companies to work for the betterment of the field man.

Mr. Wright voiced the hope that membership of the N.A.L.U. would reach approximately 40,000 before the year is out.

Zimmerman Reviews Problem of Social Security for Agent

Another important paper given at the national council meeting was that of C. J. Zimmerman, Connecticut Mutual, Chicago, immediate past president. He went into the question of making the old age social security benefits applicable to insurance agents.

In both 1937 and 1939 when social security legislation was being enacted,

feel that the politicians will continue to increase the benefits until the structure must crumble of its own weight.

Some also oppose social security on the ground that it encourages dependency on the government and weakens the desires and ability of the individual to be independent.

From a practical standpoint some oppose social security on the ground that the life insurance agent is an individual contractor and should his status be altered to that of employee there are many objections which would make it inadvisable and perhaps impossible to place him under the social security act.

Unemployment Complication

If, in placing the agent under the old age benefit plan he would also be placed under unemployment compensation the job insurance tax would have to be passed on to policyholders which would increase the cost of insurance, possibly to a point where it would lose competitive appeal. Moreover, a tax might have to be paid but it is doubtful if the agent could recover unemployment benefits, for he is unemployed only if he becomes disabled and then he would not be eligible for benefits, or if his contract is canceled for lack of production or for some unethical action. In either of these latter events the agent should not be permitted to remain in the field. The government might find that it was supporting a large number of unfit agents.

Another practical objection is the matter of renewal commissions. If these exceeded \$15 a month the question is whether the agent would be eligible to draw social security benefits after age 65. There is also the question whether the agent beyond age 65 would have to forfeit the right to sell any new business lest by so doing he be excluded from social security benefits. Then there is the question whether the tax would be based on gross or net commission. There is the question of the agent who receives commissions from three, four or five

(CONTINUED ON PAGE 26)



C. J. ZIMMERMAN

Mr. Zimmerman said, the life insurance field forces were divided as to whether they desired to be included. An N.A.L.U. survey in 1940 indicated that a majority of the agents preferred a company pension plan to social security. However, he expressed the opinion that the great majority of agents now prefer to be included under social security benefits if certain obstacles and disadvantages of inclusion can be eliminated. Some have a theoretical objection to the social security act as a socialistic measure, as a step in the direction of government paternalism and



A GREAT FRATERNAL
WITH
A GREAT RECORD

AID ASSOCIATION for LUTHERANS

The largest legal reserve life insurance organization exclusively for Synodical Conference Lutherans.

APPLETON, WISCONSIN

LEGAL RESERVE FRATERNALS

Massachusetts C. O. F. Goes on Legal Reserve Basis

BOSTON—The Massachusetts Catholic Order of Foresters, one of the largest fraternal in Massachusetts, is undergoing transfer to a legal reserve basis. The work is being supervised by 30 representatives of the Fraternal Service Company of Yonkers, N. Y. The order is 62 years old and is confined to Massachusetts. It has about 40,000 members, largely in greater Boston.

The members are being offered a choice of three old line policies, whole life, paid up at age 65 or 20-payment life. About 8,000 members have been changed under the new setup. The new policies have standard non-forfeiture provisions and cash and paid up values. It is expected the transfer work will be completed by the end of the year.

Officers report the change has resulted in renewed interest and more new business has been written in the past five months than in the three previous years. Major W. H. Harrison of Boston is high chief ranger and J. J. Forrester, Boston, secretary-treasurer.

PREVIOUSLY TRIED READJUSTMENT

The order was founded in 1879 and rates adopted in 1884 were effective until Jan. 1, 1937, when the society readjusted its old inadequate rate business, placing it on the American Experience 4 percent basis applicable to all members to age of entry. This proved only a temporary expedient and the present change is an effort to make the rate basis thoroughly sound.

Massachusetts C.O.F. at the end of 1939 had admitted assets of \$4,513,752 and total insurance in force of \$40,419,000. It sold only whole life certificates for \$1,000 to men and women of the Roman Catholic faith, ages 16-49. The new set-up represents a broadening of the certificates offered.

Massachusetts C.O.F. total income was \$1,109,589 in 1939 and total disbursements \$1,152,888. A valuation report as of Dec. 31, 1939, on the National Fraternal Congress 4 percent basis indicated the assets, actual and contingent, were 69.45 percent of liabilities, actual and contingent, according to "Fraternal Compend—Digest."

Report on Ill. Fraternal

Concordia Mutual Benefit League, a Chicago fraternal, had assets \$1,690,415 and unassigned funds \$84,809, Sept. 30, 1940, according to the report of an examination by the Illinois department. The principal operating officers are Lawrence Wichman, secretary, and W. R. Hewelt, assistant secretary. In 1939 the ratio of actual to expected mortality was 69. Benefit certificates in force amounted to \$7,662,159.

The department has also published a report of an examination of Tri-State Mutual Life of Carthage, a fraternal, as of Aug. 31, 1940. Assets were \$92,285 and unassigned funds \$1,596. Zwingle Horrell is supreme secretary. There were 3,319 benefit certificates for a total amount of \$2,968,480. The ratio of actual to expected mortality in 1939 was 98.7. The examiners state that if the ratio of actual to expected mortality were to remain constant or increase in the near future the solvency of the society would be endangered due to the small amount of unassigned funds and low interest returns from investments.

To Hold Conventions in Denver

American Woodmen supreme camp, society of colored people, will hold its convention at Denver in August. Neighbors of Woodcraft national convention will be held in the Shirley-Savoy hotel, Denver, Sept. 13-14. The Order of Eastern Star grand session state meeting will be held in Denver in October.

Koerth Elected Head of W.O.W. Texas Force

Dr. C. J. Koerth, San Antonio, superintendent of the great hospital of Woodmen of the World, Omaha, in San Antonio, was elected head consul of the society's Texas organization at the biennial convention held in San Antonio. He succeeds F. C. Findley, Brownwood.

Other new officers include: Banker, E. L. Mann, Wichita Falls; clerk, P. G. Miller, Dallas; escort, O. E. Bartholmae, El Paso; head advisor, E. A. Bowlers, Houston.

D. E. Bradshaw, national president, spoke at the opening of the convention urging a united front of the people in this country to face the world crisis. R. E. Miller, national auditor and director, and Rainey T. Wells, general attorney, both of Omaha, and S. C. Holston, Los Angeles, national director, gave addresses.

Laredo was selected for the next convention. About 1,000 delegates attended. C. R. Hamilton, Dallas, was elected head organizer of the Log Rollers Association, associated organization. H. L. Rosenblum, Omaha, national publicity director, attended, then went on to Oklahoma City to make preparations for the head camp convention in that state to be held early this month.

What Weight to Give Neuroses

Any one who has had one neurosis lasting six months or longer will bear watching by health underwriters and one who has had two or more should be rejected, said Dr. Abraham Meyerson, clinical professor of psychiatry at Harvard, in his address before the Boston Accident & Health Association. Lester J. Burdick, president, presided and introduced the speaker. Dr. Meyerson said it is possible to cultivate the faculty of evoking friendliness and good will by being cheerful and pleasantly aggressive.

Renders Nebraska Opinion

Members of fraternal are eligible for insurance benefits even though for religious or other reasons they object to subscribing to the society's ritual or any sentiments or principles contained in lodge work, John S. Logan, Nebraska department attorney, stated in an opinion. The law permits persons to be members of fraternal without being compelled to take out insurance, and, Mr. Logan said, the power to take insurance without lodge participation is thereby implied.

Argue Maryland Tax Bill

Fraternal societies operating in Maryland are exercised over the bill which has passed the house and was under consideration in the senate committee this week to assess a 2 percent premium tax against fraternal societies' collections in the state, and in addition some extra fees over and above those at present charged. A hearing on the bill was held at which societies' representatives voiced their objections, contending fraternal have been universally held exempt from tax in this country due to their philanthropic and nonprofit characteristics and exception should not be made in Maryland.

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1893

A Legal Reserve Fraternal Benefit Society

Bina West Miller
Supreme President

Frances D. Partridge
Supreme Secretary

Port Huron, Michigan

Life Insurance PLUS

The gentleman mentioned in the clipping was unfortunate, indeed. But his misfortune was lessened by a pleasant surprise. Shortly after the accident he received a check for \$1,000 from the Maccabees. Although he himself was unaware of his rightful claim, the SPECIFIC BENEFIT provision of his \$5,000 Ordinary Life certificate entitled him to one-fifth of the face value of his certificate for the loss by accident of a hand, foot or eye. Not only that, but this EXTRA benefit of Maccabees certificates did not reduce the face value of his certificate.

The Specific Benefit feature of Maccabees certificates is one reason why the job of Maccabees field men is made easy. They find it a simple procedure to sell plans that offer so many EXTRA benefits.



This advertisement is the first of a series which will illustrate the extra benefits of Maccabees insurance plans.

THE MACCABEES

5057 Woodward

DETROIT

MICHIGAN

A \$90,000,000 Society



58 YEARS OF SERVICE

Entering upon its fifty-ninth year, looks confidently to an ever-widening spread of fraternal life insurance service to the people of America in the years ahead.

1883

\$620,000,000
paid in benefits
1941

MODERN WOODMEN OF AMERICA

HEAD OFFICE

ROCK ISLAND, ILLINOIS

Compensation and Social Security Wichita Topics

(CONTINUED FROM PAGE 24)

companies. Will he have to pay taxes on all of his sources of earnings even though he can participate in the benefits only up to the tax imposed upon \$3,000 of income.

Then there is the question of the general agent, the general insurance man who writes some life insurance, the broker who represents no company, the part time agent.

Other Commission Salesmen

Can the act be amended to include only life insurance but to exclude other commission salesmen?

Mr. Zimmerman said that he cited practical objections and obstacles so that the field men may have a greater tolerance toward the position taken by certain companies and certain agents against the inclusion of the field force.

Some maintain that social security is a sound social measure and the difficulties are not insoluble.

Mr. Zimmerman expressed the opinion that if the agent is under social security, he can more effectively protest against an unsound mushrooming of benefits than if he is excluded.

Those who say that the agent should make provision for himself through the use of life insurance are taking an idealistic view, he said. It is sad but true that the agent has not done much better than has the average citizen in making provision for himself and his dependents.

Company pension plans are not the entire answer, because they do have limitations, he said. Such pension plans will be most effective if they are superimposed upon social security, he declared.

Mr. Zimmerman pointed out that the agents are already paying for social security benefits even though they are not included under the act. The taxes are passed on to the consumer in the form of higher prices. He expressed the opinion that the law can be amended so that commission salesmen, including the life insurance agent, can be given a special classification and considered as self employed persons. This would exclude the agent and the companies from the unemployment insurance taxes. The law already provides that commission salesmen can work where and when they please.

Renewal Commission Solution

In regard to renewal commission there should not be any great difficulty, he said. Under the present law if earned income is \$15 or more per month then social security benefits cannot be taken during that month. If renewal commissions are vested as they are under most contracts, then it would be logical to consider renewals as deferred first year commissions rather than as new earnings for services rendered. In that event the agent would still continue to receive social security benefits.

If renewal commissions are regarded as service commissions, then when a man reaches age 65 the companies might discount the future value of the renewals and pay them to the individual in the form of an additional pension. Then the individual would not be excluded from receiving social security benefit.

Mr. Zimmerman expressed the belief that in any event the social security board would interpret the commissions in such fashion that the agent could receive benefits in addition to his renewals. The agent who applies for social security benefits and desires occasionally to write personal business would have to forfeit the social security benefit during the month that he was paid a commission on new business.

Some formula could be devised, he said, for determining the tax base. It is estimated that the agent invests from

15 to 20 percent of his commission income in his business and the tax and benefits might be based upon gross commissions less 15 to 20 percent. Probably the benefits would be made available only to general agents and full time producers. Part timers, general insurance men and brokers would probably be excluded. The law could also be amended to take care of the average wage situation and the relationship between quarters covered and total number of quarters elapsed so that the agent would not be penalized too greatly for having postponed coming under the act until 1941.

Mr. Zimmerman cautioned members of the national council against being affected too greatly by their personal situation. Those members, he said, have a much greater than average income and consequently the social security benefits are less significant to them. However, the rank and file of the agents fall within an income bracket where social security benefits are of much greater importance.

HODGES REPORTS

Ray Hodges, Ohio National, Cincinnati, submitted a written report as chairman of the committee on agents compensation and he also gave some elaborations from the platform. He



RAY HODGES

said that action on the problem of agents' compensation has begun and tentative proposals have been advanced. However, much remains to be done and he said the N.A.L.U. committee is not entirely satisfied with the progress that has been made. The committee believes that the solution must involve providing adequate income to the new agent during his induction and the first few years in the business; it must provide adequate income to the established agent and make some provision to him for the time he is called upon to give in servicing present business beyond the 10 year scale. It must present at least some basic plan of retirement income or pension.

The Linton committee recommendation may contribute to a solution of the problem of the established agent, according to Mr. Hodges, but it aggravates the situation of the new agent because it reduces commissions during the first three years.

It is understood, he said, that the Linton committee would definitely make some recommendations covering the pension situation, possibly in the form of a model contributory plan. After having done that, the Linton committee will be able to concentrate on a solution of the problem of the new agent. Since the Philadelphia convention, he observed, six prominent companies have announced either new pension plans or complete new plans of compensating agents. So far as the new agent is concerned consideration is



Above—Frank Williams, Mutual Life, Newark, and Holgar Johnson, president Institute of Life Insurance.

Below—W. E. Moore, Pacific Mutual, Wichita, chairman arrangements committee; W. H. Nicholls, Jr., president Wichita association; James E. Rutherford, Penn Mutual, Seattle, national trustee.

being given to the idea of assigning him a block of orphan business upon which he would get the 2 percent service commission.

To Introduce Amendments

Amendments to bring the agents under social security will be introduced in Washington within the next two months, he said. He referred to the Weissman criticism that there is too much influence of companies. Mr. Weissman, according to Mr. Hodges, should be better informed. The N.A.L.U. goes on the theory that what is good for the agent is good for the general agent and what is good for the general agent is good for the companies, and what is good for the companies is good for all. He said it is true, as Mr. Weissman stated, that some N.A.L.U. presidents have become company vice-presidents. That is entirely proper, Mr. Hodges said. If a man can lead an organization of 35,000 he should make a good company vice-president. However, not all company vice-presidents would make a good N.A.L.U. president, he said. Mr. Hodges went on to say that there is no longer any independent general agents association. That association has been absorbed by the N.A.L.U.

There were distributed at Wichita some 100 copies of the pamphlet that was prepared for filing with the Temporary National Economic Committee and transmitted to Senator O'Mahoney March 21, by the committee of companies. It augments the material that was submitted to the TNEC by that committee last August. The sections in this booklet are entitled "Experimentation with Common Stock," "The Test of Life Insurance—Safety," "Integrity, the Foundation of Life Insurance," "Anti-Competitive Agreements," "Misleading Statistical Compilations," "Terminations in Ordinary Insurance," "Industrial Insurance," "Proposed Federal Supervision."

L. M. Buckley Leads Off

The national council meeting got under way with some gracious remarks by L. Mortimer Buckley, New England Mutual, Chicago, as chairman of the committee on the national council. He brought to the front Lee Wandling, Equitable Society, the general Wichita chairman, who got deserved applause

for his work in making local arrangements.

Mr. Buckley then turned the meeting over to President Harry T. Wright.

Walter E. Barton, Union Central, New York, reported for the first time as treasurer. He said that Robert L. Jones of New York, who was treasurer for many years, has so far recovered from an illness as to be able to go to the office a few hours each day.

Membership Activities

Grant Taggart, California-Western States Life, Cowley, Wyo., N.A.L.U. secretary, took the microphone to speak on membership activities. He referred especially to the successful "guest member" or blitzkrieg meetings that were held in Boston, New York, San Francisco and Los Angeles. An effort will be made to work out a pattern for such meetings in the future, so that a conception of the association's scope and worth can be conveyed to thousands more in the field.

John A. Witherspoon, John Hancock, Nashville, spoke a few words, as vice-president.

Then came Mr. Wright's presidential message. Although he made no personal reference to S. D. Weissman, Equitable Society, Boston, an important part of the president's report was an answer to Mr. Weissman's recent Pittsburgh address and a rebuke to that critic.

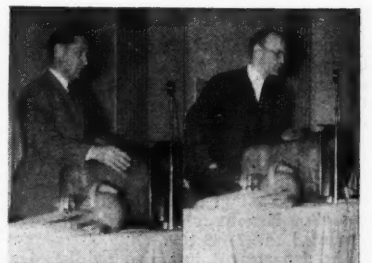
Earle H. Schaeffer, Fidelity Mutual, Harrisburg, Pa., reported as chairman of the committee on state associations. Financing is one of the most important of the problems of the state units. The average state association gets but 50 cents per member. He suggested that the N.A.L.U. devise a formula that could be recommended in this connection.

Observations From Floor

Some observations were made from the floor. H. C. Schuppel, retired general agent of Oregon Mutual Life in Idaho, said the state association in his country is highly valued. The dues to the state association are \$1. It is not compulsory, but all of the local associations belong to the state organization.

Gene Conklin, Equitable Society, Hutchinson, said the Kansas state body gets but 50 cents a head. He endorsed the idea that the N.A.L.U. suggest a schedule of basic annual dues.

(CONTINUED ON LAST PAGE)



Above—Two N. A. L. U. trustees before microphone: James E. Rutherford, Penn Mutual, Seattle, and H. A. Hedges, Equitable of Iowa, Kansas City.

Below—Joy Luidens, executive secretary Chicago association and Wallace Darling, Bankers Life of Iowa, Cedar Rapids, Ia.

Sales Ideas and Suggestions

Life Agents' "M Day" Is Here, Fischer Warns in Chicago

"M Day"—the day of national mobilization of all resources—is here, C. O. Fischer, agency vice-president Massachusetts Mutual Life, declared in the final session of the Saturday Morning Forums conducted by the Chicago Association of Life Underwriters. Life agents may not fully realize how close the country is to perilous days. It is only common sense to awaken to what is going on in the world at large. Life agents cannot afford to close their eyes to it. They must become alive to the kind of job they can do if they give themselves wholly to it.

What is expected of the life agents of this country is precisely the same kind of job that they expect of those people who are working for the country in the national preparedness program. There must be an "all out" effort. Life agents as well must contribute in full measure to the demands of the times.

Institution Always on Trial

Mr. Fischer discussed the "Indispensable Agent." He emphasized that while American life insurance has come about very largely due to the efforts of the agents, they as well as the life insurance institutions are continually on trial. This is so because of the far reaching importance of life insurance and the agents' work.

"In the final analysis," Mr. Fischer said, "our employers are the policyholders. As a youngster in the life insurance business I thought of the policyholders as the effects of my job, rather than as the cause, which they really are. The policyholders constitute the high tribunal, the court of last resort.

"No government agency can make popular what the public does not want, or make unpopular what they do want. It all depends on the measure in which we satisfy our employers, the policyholders.

"This is all translated into terms of individual efforts and responsibility. To a large degree, what the policyholders think of life insurance depends upon the job which we do.

Tells Policyholders' Demands

"What do the policyholders demand from the agent? They demand honest, able, courageous and effective sales and service. They demand qualified, trained and active men. They demand men who serve and sell. It is our responsibility to fulfill at least those requirements.

"They demand integrity, honesty and ability. All of us must cooperate in meeting these requirements. The home office staffs, managers and general agents must make sure that in selection they appoint only men and women of integrity.

"The policyholders are entitled to demand this. Why should they be forced to entrust their life insurance problems to improperly equipped, incompetent people? Why should they be forced to have that property which we have always insisted is the most important and precious property that there is, handled by people who do not know how to handle it or are careless in doing so.

Ferre C. Watkins, head of the Illinois department liquidation bureau and personal representative of Governor Green, who was to have spoken, substituted for him. Mr. Watkins said the more than 30 billions of life insurance assets are a challenge to politicians who seek ready funds, and life men would be blind indeed if they did not see that this situa-

tion is a challenge to all insurance men to make sure the trust is continued and life insurance is administered properly. In his early days Mr. Watkins was an agent of Equitable Society in St. Louis. He conveyed Governor Green's "tremendous interest" in insurance and its problems, saying the governor has a keen insight into the business.

"From a close, intimate contact with Governor Green and Insurance Director Jones," he said, "I know you are in good hands. The Illinois insurance code gives tremendous power to the director in administering and controlling insurance in the state. In the hands of a bad man the code would be as destructive an implement as anything ever put on the statute books, but in the present hands it is as constructive as one could imagine."

George Huth, general agent Provident Mutual, spoke briefly on association membership, stressing that all members should take an active part in the association work and not feel their obligations had been discharged by paying the nominal dues.

George L. Grimm, Northwestern Mutual, educational chairman Chicago association, presided.

N. C. Traveling Congresses Draw Attendance of 600

With an attendance of about 600 the North Carolina sales congresses were held this week in Asheville, Charlotte, Greensboro and Raleigh.

Speakers were Paul H. Conway, general agent John Hancock, Syracuse, N. Y.; Robert J. Seay, division supervisor of field training of Metropolitan Life; Howard C. Lawrence, New Jersey general agent Lincoln National, and A. R. Jaqua, associate editor Diamond Life Bulletins.

Max C. Fisher, assistant secretary of Metropolitan, was to have been one of the speakers, but was unable to attend because of illness.

The idea of a "traveling caravan" making several cities on succeeding days for sales congresses appears to be a growing tendency. Texas was perhaps the first state to use the system. The North Carolina State Association was formed three years ago and immediately installed the four-day sales congresses. Officers this year are W. Elbert Chambers, president; J. S. Babb, chairman; George Elliott, associate chairman.

Conway Offers Working Formula

Mr. Conway suggested a working formula, and then showed how a little increased effort in number of prospects, number of calls or number of interviews would greatly and favorably affect the total results. He said it doesn't take a great deal of effort to increase results greatly and that there really isn't much difference between the poor producer and the big producer, except that the big producer pays attention to all of the factors and tries to increase each just a little.

Mr. Lawrence gave the famous family income sales talk which he developed years ago and which has been adopted by the Lincoln National as company material. He does an excellent job of simple programming, writing the names of the children up to age 18, and the amount required per

month for those years, plus the amount required for the wife, plus the amount required for clean-up. He can then subtract the amount of life insurance owned or the social security benefit, and quickly tell the man the amount of new insurance required. Mr. Lawrence contends that this system is easily understood by any prospect, and he and his men have used it for many years.

Metropolitan's Training Plan

Substituting for Mr. Fisher, Mr. Seay outlined the sales training program of the Metropolitan for its managers, assistants and agents. The Metropolitan, with the assistance of the Psychological Corporation of New York, has developed a number of tests which work out with great accuracy in selection. For example, of 90 men chosen in one division, at the end of 18 months eight had been let out, and in each case these men ranked low in the test and were accepted by the company only after pressure.

Regional meetings are held for managers and assistants. New managers

are taken to the home office and given a thorough course in the fundamentals of life insurance and the duties of a manager. Normally the Metropolitan plans that each new man on a debit shall be given three weeks' training before he is turned loose on his own.

Mr. Jaqua suggested that industrial men are fast running out of the ordinary and are getting a great deal of business particularly from wage earners who, because of defense activities, are buying more insurance than formerly. He suggested that ordinary men spend little time in complicated pension trusts, or tax or business insurance cases, and spend more time in developing a flow of work, selling for needs and selling simple programs. He urged that each underwriter develop one or two "nests" where he has prestige and that every agent constantly widen his contacts so as to get to know a large number of people, on the theory that most life insurance is sold to persons whom the agent has known at least a year. Mr. Jaqua used a blackboard to illustrate a number of presentation and closing ideas.

Finds Too Much Strain in One-Interview Sales

NEW YORK—One good reason for not trying to make a one-interview sale is that the other kind is a lot more fun, H. R. Dowell, New England Mutual, said in his talk at the New York City Life Underwriters sales congress.

"I like to enjoy my work," he said. "I don't enjoy working under pressure any more than the average prospect enjoys being sold by high-pressure methods. And for me there is no relaxation but considerable strain in approaching a prospect for the first time and attempting to size up his situation, make an intelligent recommendation, build up his desire and close, all in one interview. I just don't like it.

"The fact-finding or get-acquainted interview is fun, because there is no pressure being exerted on anybody and nothing is at stake. You will realize of course that this point is nothing more or less than mental attitude, that prime condition of sales success. In other words, my mental attitude is good in a preliminary interview because fear of failure is minimized if not eliminated entirely.

No Fear of Defeat

"I do not expect to close a sale and therefore I am not constantly facing defeat. Consequently with fear controlled my mind is clear and function more efficiently."

Mr. Dowell said that this psychological advantage is apparent again the second interview, when the proposal is made and the close attempted. He goes into this interview full of confidence because of his knowledge of the prospect, his needs, his desires and his means. He is distinctly in a position of advantage. He also knows his prospect's prejudices, peculiarities of temperament, and if he has done a good job in the first interview he knows exactly where the prospect is vulnerable. He develops fully the idea of which he planted the seed during the preliminary interview. The very fact that he and the prospect has been at ease together once before makes it readily possible for them to be at ease again even though on this occasion they are coming more to grips with the sale.

Sale Is Like a Story

A sale, said Mr. Dowell, is like a story in that it must have a beginning, and an end, a cast of characters, a plot and a climax. It may be a short story

or a serial yet all these ingredients will be present and there will be an essential unity. Similarly there may be a one-interview sale or a more-than-one-interview sale yet the sales process must be followed through in either case if satisfactory results are to be obtained.

"If I can complete that process in two interviews I feel I am doing a salesman-like job," he said. "Through the two-interview system it is not only easier to be professional in attitude but also quite possible to be a good merchandiser in practice."

Mrs. Lillian L. Joseph, Home Life of New York, said that the agent will go a long way towards solving his prospecting problem if he will impress on his existing clientele the fact that the greatest asset one can be endowed with is peace of mind derived from the sense of security which life insurance provides. Mrs. Joseph, who is one of the Home Life's leading producers, gave a number of specific cases where a satisfied client had led not only to other prospects but had given her the highest type of prestige with these prospects. Through one client Mrs. Joseph was supplied enough prospects to guarantee her an entire year's business, she said.

Mrs. Joseph's talk illustrated strikingly the way in which an agent can perceive situations which the prospect feels very grateful for having been shown and consequently is very willing to tell his friends about the agent's work. Many of Mrs. Joseph's clients are outstanding business women but she also has a large number of men clients.

Buyers Ponder Pension Future

At the meeting of the insurance division of the American Management Association at Hotel Astor, New York, May 5-6, the topic for discussion the first morning is "What's Ahead for Pension Plans?" The discussion will be in charge of J. W. Myers of Standard Oil of New Jersey and the basic presentation will be made by a representative of the government and by an insurance executive. The rest of the program pertains only to fire and casualty insurance matters.

A three-act dramatization of "Estate Planning" was presented Thursday night under the auspices of the Pittsburgh Life Insurance & Trust Council.

Compensation and Social Security Big Wichita Topics

(CONTINUED FROM PAGE 26)

Others who spoke included M. R. Burnham, vice-president Oklahoma City association, who said he is ambitious to have a state association in Oklahoma; Frank Mozley, Salt Lake City, and Ralph Hoyer, John Hancock Mutual, Columbus.

Ray Hodges, Ohio National Life, Cincinnati, then was heard as chairman of the vital committee on agents' compensation. He went beyond his prepared report to refer to some of Mr. Weissman's allegations.

Interesting supplementary observations were made by President Wright and C. J. Zimmerman, Connecticut Mutual, Chicago, past national president.

Ideas of Stanley Edwards

Stanley Edwards, Aetna Life, Denver, speaking from the floor, took exception to the theory that total production cost should be kept within the limits of section 97 of the New York law. To reduce first year commission to 40 percent would, he said, aggravate the recruiting problem. It is a mistake, he contended, to standardize commissions throughout the country. In the wide open spaces, the agent's expense is high, due to the distances between prospects. The cost of getting business, he argued, should be shared by the companies.

W. H. Andrews, Jr., Jefferson Standard Life, Greensboro, N. C., reported as chairman of the general agents and managers committee.

Paul Sanborn, Connecticut Mutual, Boston, was called to the rostrum. He spoke in the interest of increasing the N.A.L.U. membership to 50,000 within five years. Mr. Sanborn is vice-chairman of the membership committee.

W. R. Furey, Berkshire Life, Pittsburgh, said the Pittsburgh general agents unit is incorporating to avoid the danger of individual general agents being subjected to litigation.

Mr. Zimmerman gave a report on agency practices. Many insurance men, he said, feel that the agency practices code needs to be revitalized and the committee expects to be able to give an important report at Cincinnati.

At the afternoon session General Counsel Roger B. Hull gave a glimpse of the legislative scene. Julian Myrick, Mutual Life, New York, reported as chairman of the sub-committee on federal legislation.

Then was conducted the election of the nominating committee. While the ballots were being counted O. Sam Cummings, Kansas City Life, Dallas, a past president, spoke a few words.

Earl Colborn, Connecticut Mutual, Rochester, N. Y., a national trustee, reported for the committee on education. Mr. Colborn had Eber Spence of Indianapolis tell something of the schools that were held in 1940 and 1939 at Purdue University for small town producers. Another school will be held there in July. An enrollment of 250 is expected.

Robert Hesse, Lincoln National, Madison, Wis., related the features of the insurance course at the University of Wisconsin last summer. Another school will be held this year.

Wright Scott, Lincoln National, Minneapolis, told of the school project in his state.

A school will be conducted the week of Oct. 27, with enrollment of between 50 to 100. The Minnesota Association of Life Underwriters will guarantee an attendance of 50 at \$10 a head.

Gene Conklin, Equitable Society, Hutchinson, told of the work at the state university at Lawrence. A one week school will be held at a date to be selected. The entire cost per student will probably not exceed \$20.

H. A. Hedges, Equitable Life of Iowa, Kansas City, spoke enthusiastically of this type of work in cooperation with colleges.

W. W. Hartshorn, Metropolitan,

Hartford, spoke on local association administration. He expressed the opinion that local association programs too often do not appeal to the average agent, the \$100,000 or \$150,000 producer. Mr. Hartshorn sought authority of the national council to make a study of local association programs and to develop suggested guide for local program chairmen together with a speakers list. It is important, he said, to make certain that each individual member of the organization knows what the N.A.L.U. means to him. This is particularly necessary because of the enlarged size of the association and the fact that "carping critics" are springing up these days.

Mr. Hedges took the floor as chairman of the committee on life insurance information. He said newspaper editors are always willing to listen to the life insurance story when adverse publicity is abroad. There is much to be gained by use of radio. One feature was to read at each broadcast the names of lost policyholders who have credits to their accounts.

Each association should have a man to follow through week after week in handling newspaper releases. He referred to the fact that in St. Louis one day each week the St. Louis "Daily Record" carries a column on life insurance. This is a court reporting publication.

James Rutherford, Penn Mutual, Seattle, offered the resolutions. One memorial pledged support of the N.A.L.U. to the Treasury department in the sale of savings bonds. The other was the customary resolution of thanks.

Ralph Hoyer, John Hancock, Columbus, referred to a bill in Ohio to prohibit a domestic insurer from doing business in any state in which it is not licensed. Such a measure if enacted in all states would remove one of the strong arguments for federal supervision.

The final feature was a talk by Holgar Johnson, president of the Institute of Life Insurance, who gave some interesting sidelights on the progress of his work. Mr. Johnson had just come from a Chamber of Commerce luncheon, where he addressed a gathering of about 400.

WICHITA SIDELIGHTS

Bert Hedges, Kansas manager of Business Men's Assurance, did an exceptionally noteworthy job as chairman of the publicity committee. Both the Wichita "Beacon" and Wichita "Eagle" outdid themselves in publicizing the convention. Each of the papers got out special editions that were profusely illustrated with convention photographs. Probably no other N.A.L.U. convention has been accorded such generous treatment by the press of the convention city.

The W. A. Bachman agency of Northwestern National Life held an agency meeting at Wichita, inaugurating the agency's new offices at 313 Orpheum building. Out of state guests included V. M. Burke, field service manager from Minneapolis; A. R. Hustad of the home office agency; E. P. Balkema, Detroit general agent, and Phil Orchard, Sioux City general agent.

The Kansas agency of Mutual Life held a meeting including a luncheon under the direction of Percy S. Gibson, Kansas manager. Julian Myrick, manager at New York; J. Frank Trotter, Kansas City, and other visiting general agents assisted with the program.

James M. Caldwell, assistant general agent of Aetna Life at Denver, formerly with the Dulaney, Johnston & Priest



BEFORE CAMERA AT NATIONAL ASSOCIATION OF LIFE UNDERWRITERS MEETING:

Above—W. G. Lamont, secretary Old Surety Life, Alva, Okla.; Earl Colborn, Connecticut Mutual, Rochester, N. Y., national trustee; Clifford Orr, National Life, Philadelphia.

Below—Wallace Darling, Bankers Life of Iowa, Cedar Rapids; Paul Otto, Connecticut Mutual, Davenport, and James E. Rutherford, Penn Mutual, Seattle, all former presidents of Iowa state association.

agency of Wichita, was back for the meeting accompanied by Mrs. Caldwell. A large group of Mr. Caldwell's friends gave a lunch for him at which Stanley Edwards, Denver general agent, was also a guest.

Lyman E. King, former president of the Kansas life underwriters when he was with New England Mutual at Topeka, was back from Dallas for the meeting especially to attend the C. L. U. breakfast meeting, being chairman of the educational committee of the Dallas association.

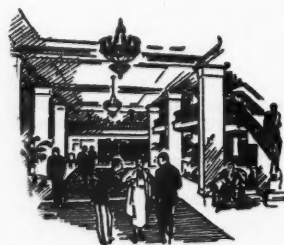
The general agents of Massachusetts Mutual at Wichita held an all day meeting and dinner. The principal speaker was L. M. Huppeler of the home office organization, who discussed pension trust situations. He is making appearances before various Massachusetts Mutual general agencies throughout the country on this subject.

First Claims Paid Under New U. S. Life Insurance

WASHINGTON, D. C.—The Veterans' Administration announced allowance of the first death claims arising under the national service life insurance system.

The claims were presented as the result of the death of a private in the national guard in an automobile accident one day after he had taken out his \$10,000 government policy on a one-month premium of \$6.70, and following the death of a national guard officer from pneumonia within a month after he had paid the first premium of \$7.20 on his \$10,000 policy.

So far 260,000 applications have been received with approximately \$970,000,000 insurance now in force.



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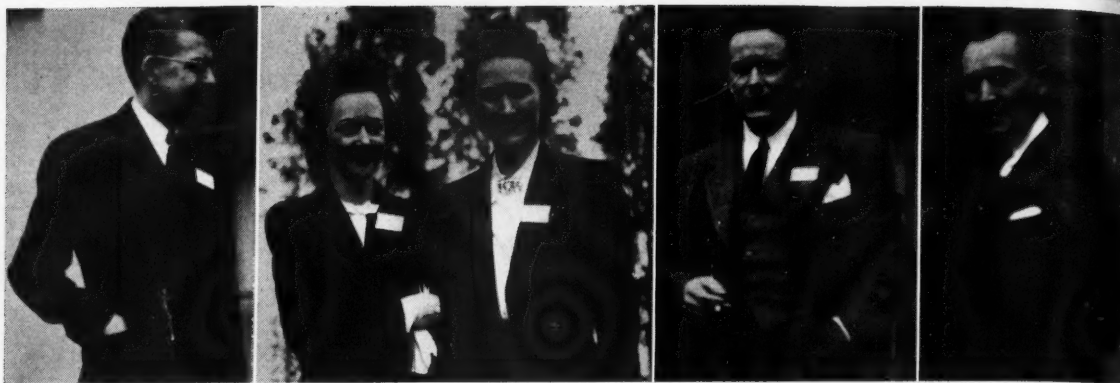
George R. Kendall, president of Washington National (left), at surprise birthday luncheon climaxing president's month observance. At right is Dr. W. A. Granville, veteran vice-president.



H. K. Lindsley, president Farmers & Bankers Life, presided at big N. A. L. U. dinner at Wichita given by Kansas companies. He is at Mineral Wells, Tex., this week for Farmers & Bankers agency convention.



Trio at New York City sales congress—H. D. Josephson, general agent State Mutual, vice-chairman congress committee; G. P. Shoemaker, general agent Provident Mutual, chairman entertainment committee, and Manuel Camps, Jr., general agent John Hancock, chairman congress committee.



At meeting of North Central Round Table of Life Advertisers Association—George Pease, Equitable of Iowa; Eula M. Enoch, American United Life, and Martha Cotton, Commonwealth Life; E. S. Wescott, Bankers Life of Nebraska; R. S. Walstrom, Continental Assurance.



Glimpses at Chicago meeting of Life Advertisers group—R. B. Reynolds, American United Life; C. Russell Noyes, Phoenix Mutual Life; A. Scott Anderson, Equitable Life of Iowa; John H. McCarroll, Bankers Life of Iowa, and C. Sumner Davis, Provident Mutual Life.



At New York City sales congress—above: C. D. Connell, general agent Provident Mutual, and H. G. Kenagy, superintendent of agents Mutual Benefit Life.
Below, members of prospecting panel: T. W. Foley, general agent State Mutual; Samuel F. Green, Guardian Life, and Mrs. Lillian L. Joseph, Home Life of New York.

